SENATE—*Saturday, August 5, 1995*

(Legislative day of Monday, July 10, 1995)

The Senate met at 8:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

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

Gracious God, Lord of our lives and Sovereign of this Nation, we thank You for the change that takes place in our attitudes when we remember that our calling is to glorify You in our work and to work with excellence to please You. The Senators are responsible to their constituencies, those who work with them here report to them, and others are part of the Senate support team. We all are employed to serve the Government, but we ultimately are responsible to You for the work we do and how we do it. Help us to realize how privileged we are to be able to work, earn a wage, and provide for our need. Thank You for the dignity of work.

So we press on today with enthusiasm remembering that You have called us to our work and will give us a special Saturday measure of strength. Especially we ask for Your light in the heat of the discussion on the subject of abortion. We need to listen to one another and receive Your guidance. Whatever we do, in word or deed, we do it to praise You. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDING OFFICER (Mr. BENNETT). The distinguished acting majority leader is recognized.

PRIVILEGE OF THE FLOOR

Mr. SHELBY. Mr. President, I ask unanimous consent that John Libonoti, a legislative fellow with the subcommittee, and Paul Irving, a fellow with Senator MIKULSKI's office be granted floor privileges during deliberations on H.R. 2020, the Treasury, Postal Service, and general Government appropriations bill.

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

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS, 1996

The PRESIDENT pro tempore. Under the previous order, the Senate will begin consideration of H.R. 2020.

The clerk will state the bill by title.

A bill (H.R. 2020) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1996, and for other purposes.

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

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

H.R. 2020

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1996, and for other purposes, namely:

TITLE I—DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

For necessary expenses of the Departmental Offices including operation and maintenance of the Treasury Building and Annex; hire of passenger motor vehicles; maintenance, repairs, and improvements of, and purchase of commercial insurance policies for, real properties leased or owned overseas, when necessary for the performance of official business; not to exceed $2,900,000 for official travel expenses; not to exceed $2,950,000 to remain available until [September 30, 1998, shall be available] *expended* for information technology modernization requirements; not to exceed $150,000 for official reception and representation expenses; not to exceed $258,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Secretary of the Treasury and to be accounted for solely on his certificate; [$104,000,500] *$105,929,000.*

TREASURY BUILDING AND ANNEX REPAIR AND RESTORATION

For the repair, alteration, and improvement of the Treasury Building and annex, $7,684,000, to remain available until expended.

COUNTER-DRUG TECHNOLOGY ASSESSMENT CENTER

SALARIES, EXPENSES, RESEARCH AND DEVELOPMENT

For salaries, expenses, research and development activities of the Counter-Drug Technology Assessment Center, $20,500,000, of which $20,000,000 shall remain available until expended for counternarcotics research and development projects and shall be available for transfer to other Federal departments or agencies by the Under Secretary for Enforcement, after consultation with the Chief Scientist of the Center.

HIGH INTENSITY DRUG TRAFFICKING AREAS (INCLUDING TRANSFER OF FUNDS)

For necessary expenses of High Intensity Drug Trafficking Areas for drug control activities consistent with an annual strategy approved by the Under Secretary for Enforcement for each of the designated High Intensity Drug Trafficking Areas, $110,000,000, of which no less than $55,000,000 shall be transferred to State and local entities for drug control activities; and of which up to $55,000,000 may be transferred to Federal agencies and departments at a rate to be determined by the Under Secretary for Enforcement: Provided, That the funds made available under this heading shall be obligated within 120 days of the date of enactment of this Act.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, hire of passenger motor vehicles; not to exceed $2,000,000 for official travel expenses; not to exceed $100,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Inspector General of the Treasury; [$29,319,000] *$30,067,000.*

TREASURY FORFEITURE FUND

For necessary expenses of the Treasury Forfeiture Fund, as authorized by Public Law 102–393, not to exceed $15,000,000, to be derived from deposits in the Fund.

FINANCIAL CRIMES ENFORCEMENT NETWORK

SALARIES AND EXPENSES

For necessary expenses of the Financial Crimes Enforcement Network, including hire of passenger motor vehicles; [travel expenses of non-Federal personnel to attend meetings concerned with financial intelligence activities, law enforcement, and financial regulation;] not to exceed $14,000 for official reception and representation expenses [$20,273,000: *Provided,* That notwithstanding any other provision of law, the Director of the Financial Crimes Enforcement Network may procure up to $500,000 in specialized, unique or novel automatic data processing equipment, ancillary equipment, software, services, and related resources from commercial vendors without regard to otherwise applicable procurement laws and regulations and without full and open competition, utilizing procedures best suited under the circumstances of the procurement to efficiently fulfill the agency's requirements: *Provided further,* That funds appropriated in this account may be used to procure personal services contracts] *$22,198,000.*

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

For necessary expenses of the Federal Law Enforcement Training Center, as a bureau of the Department of the Treasury, including materials and support costs of Federal law enforcement basic training; purchase (not to exceed fifty-two for police-type use) and hire of passenger motor vehicles; for expenses for student athletic and related activities; uniforms without regard to the general purchase price limitation for the current fiscal

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

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

year; the conducting of and participating in firearms matches and presentation of awards; for public awareness and enhancing community support of law enforcement training; not to exceed $7,000 for official reception and representation expenses; room and board for student interns; and services as authorized by 5 U.S.C. 3109: *Provided*, That the Center is authorized to accept and use gifts of property, both real and personal, and to accept services, for authorized purposes, including funding of a gift of intrinsic value which shall be awarded annually by the Director of the Center to the outstanding student who graduated from a basic training program at the Center during the previous fiscal year, which shall be funded only by gifts received through the Center's gift authority: *Provided further*, That notwithstanding any other provision of law, students attending training at any Federal Law Enforcement Training Center site shall reside in on-Center or Center-provided housing, insofar as available and in accordance with Center policy: *Provided further*, That funds appropriated in this account shall be available for training United States Postal Service law enforcement personnel and Postal police officers, at the discretion of the Director; State and local government law enforcement training on a space-available basis; training of foreign law enforcement officials on a space-available basis with reimbursement of actual costs to this appropriation [(except that the Director may waive reimbursement and may pay travel expenses, not to exceed 75 percent of the total training and travel cost, when the Director determines that it is in the public interest to do so);] training of private sector security officials on a space-available basis with reimbursement of actual costs to this appropriation; travel expenses of non-Federal personnel to attend State and local course development meetings at the Center: *Provided further*, That the Center is authorized to obligate funds in anticipation of reimbursements from agencies receiving training at the Federal Law Enforcement Training Center, except that total obligations at the end of the fiscal year shall not exceed total budgetary resources available at the end of the fiscal year: [*Provided further*, That the Center is authorized to obligate funds to provide for site security and expansion of antiterrorism training facilities:] *Provided further*, That the Federal Law Enforcement Training Center is authorized to provide short term medical services for students undergoing training at the Center; [$36,070,000] *$34,006,000*, of which $8,666,000 for materials and support costs of Federal law enforcement basic training shall remain available until September 30, 1998.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

For expansion of the Federal Law Enforcement Training Center, for acquisition of necessary additional real property and facilities, and for ongoing maintenance, facility improvements, and related expenses, [$8,163,000] *$9,663,000*, to remain available until expended.

FINANCIAL MANAGEMENT SERVICE

SALARIES AND EXPENSES

For necessary expenses of the Financial Management Service, [$181,837,000] *$186,070,000*, of which not to exceed $14,277,000 shall remain available until [September 30, 1988] *expended* for systems modernization initiatives. In addition, $90,000, to be derived from the Oil Spill Liability Trust Fund, to reimburse the Service for administrative and personnel expenses for financial management of the Fund, as authorized by section 1012 of Public Law 101–380.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

For necessary expenses of the Bureau of Alcohol, Tobacco and Firearms, including purchase of not to exceed six hundred and fifty vehicles for police-type use for replacement only and hire of passenger motor vehicles; hire of aircraft; and services of expert witnesses at such rates as may be determined by the Director; for payment of per diem and/or subsistence allowances to employees where an assignment to the National Response Team during the investigation of a bombing or arson incident requires an employee to work 16 hours or more per day or to remain overnight at his or her post of duty; not to exceed $10,000 for official reception and representation expenses; for training of State and local law enforcement agencies with or without reimbursement; provision of laboratory assistance to State and local agencies, with or without reimbursement; [$391,035,000] *$377,971,000*, of which not to exceed $1,000,000 shall be available for the payment of attorneys' fees as provided by 18 U.S.C. 924(d)(2); and of which $1,000,000 shall be available for the equipping of any vessel, vehicle, equipment, or aircraft available for official use by a State or local law enforcement agency if the conveyance will be used in drug-related joint law enforcement operations with the Bureau of Alcohol, Tobacco and Firearms and for the payment of overtime salaries, travel, fuel, training, equipment, and other similar costs of State and local law enforcement officers that are incurred in joint operations with the Bureau of Alcohol, Tobacco and Firearms: *Provided*, That no funds made available by this or any other Act may be used to implement any reorganization of the Bureau of Alcohol, Tobacco and Firearms or transfer of the Bureau's functions, missions, or activities to other agencies or Departments in the fiscal year ending on September 30, 1996: *Provided further*, That no funds appropriated herein shall be available for salaries or administrative expenses in connection with consolidating or centralizing, within the Department of the Treasury, the records, or any portion thereof, of acquisition and disposition of firearms maintained by Federal firearms licensees: [*Provided further*, That no funds appropriated herein shall be used to pay administrative expenses or the compensation of any officer or employee of the United States to implement an amendment or amendments to 27 CFR 178.118 or to change the definition of "Curios or relics" in 27 CFR 178.11 or remove any item from ATF Publication 5300.11 as it existed on January 1, 1994 without publishing prior notice in the Federal Register and allowing for public comment:] *Provided further*, That none of the funds appropriated herein shall be available to investigate or act upon applications for relief from Federal firearms disabilities under 18 U.S.C. 925(c): *Provided further*, That such funds shall be available to investigate and act upon applications filed by corporations for relief from Federal firearms disabilities under 18 U.S.C. section 925(c).

UNITED STATES CUSTOMS SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Customs Service, including purchase of up to 1,000 motor vehicles of which 960 are for replacement only, including 990 for police-type use and commercial operations; hire of motor vehicles; not to exceed $20,000 for official reception and representation expenses; and awards of compensation to informers, as authorized by any Act enforced by the United States Customs Service; [$1,392,429,000] *$1,387,153,000*, of which such sums as become available in the Customs User Fee Account, except sums subject to section 13031(f)(3) of the Consolidated Omnibus Reconciliation Act of 1985, as amended (19 U.S.C. 58c(f)(3)), shall be derived from that Account; of the total, not to exceed $150,000 shall be available for payment for rental space in connection with preclearance operations, and not to exceed $4,000,000 shall be available until expended for research: *Provided*, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: [*Provided further*, That the Commissioner of the Customs Service designate a single individual to be port director of all United States Government activities at two ports of entry, one on the southern border and one on the northern border] *Provided further, That $750,000 shall be available for additional part-time and temporary positions in the Honolulu Customs District.*

HARBOR MAINTENANCE FEE COLLECTION

For administrative expenses related to the collection of the Harbor Maintenance Fee, pursuant to Public Law 103–182, $3,000,000, to be derived from the Harbor Maintenance Trust Fund and to be transferred to and merged with the Customs "Salaries and Expenses" account for such purposes.

OPERATION AND MAINTENANCE, AIR AND MARINE INTERDICTION PROGRAMS

For expenses, not otherwise provided for, necessary for the operation and maintenance of marine vessels, aircraft, and other related equipment of the Air and Marine Programs, including operational training and mission-related travel, and rental payments for facilities occupied by the air or marine interdiction or demand reduction programs, the operations of which include: the interdiction of narcotics and other goods; the provision of support to Customs and other Federal, State, and local agencies in the enforcement or administration of laws enforced by the Customs Service; and, at the discretion of the Commissioner of Customs, the provision of assistance to Federal, State, and local agencies in other law enforcement and emergency humanitarian efforts; [$60,993,000] *$68,543,000 which* [of which $5,644,000] shall remain available until expended; in addition, $19,733,000 shall be transferred from the Customs Air and Marine Interdiction Programs, Procurement Account to remain available until expended: *Provided*, That no aircraft or other related equipment, with the exception of aircraft which is one of a kind and has been identified as excess to Customs requirements, and aircraft which has been damaged beyond repair, shall be transferred to any other Federal agency, Department, or office outside of the Department of the Treasury, during fiscal year 1996, without the prior approval of the House and Senate Committees on Appropriations.

CUSTOMS SERVICES AT SMALL AIRPORTS

(TO BE DERIVED FROM FEES COLLECTED)

Such sums as may be necessary, not to exceed $1,406,000, for expenses for the provision of Customs services at certain small airports or other facilities when authorized by law and designated by the Secretary of the Treasury, including expenditures for the salary and expenses of individuals employed to provide such services, to be derived from fees collected by the Secretary of the Treasury pursuant to section 236 of Public Law 98–573

for each of these airports or other facilities when authorized by law and designated by the Secretary of the Treasury, and to remain available until expended.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

For necessary expenses connected with any public-debt issues of the United States; $180,065,000: *Provided*, That the sum appropriated herein from the General Fund for fiscal year 1996 shall be reduced by not more than $600,000 as definitive security issue fees are collected and not more than $9,465,000 as Treasury Direct Investor Account Maintenance fees are collected, so as to result in a final fiscal year 1996 appropriation from the General Fund estimated at $170,000,000.

INTERNAL REVENUE SERVICE

PROCESSING, ASSISTANCE, AND MANAGEMENT

For necessary expenses of the Internal Revenue Service, not otherwise provided for; including processing tax returns; revenue accounting; providing assistance to taxpayers, management services, and inspection; including purchase (not to exceed 150 for replacement only, for police-type use) and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner: [$1,682,742,000] *$1,767,309,000*, of which $3,700,000 shall be for the Tax Counseling for the Elderly Program, no amount of which shall be available for IRS administrative costs, and of which not to exceed $25,000 shall be for official reception and representation expenses.

TAX LAW ENFORCEMENT

For necessary expenses of the Internal Revenue Service for determining and establishing tax liabilities; tax and enforcement litigation; technical rulings; examining employee plans and exempt organizations; investigation and enforcement activities; securing unfiled tax returns; collecting unpaid accounts; statistics of income and compliance research; the purchase (for police-type use, not to exceed 850), and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner [$4,254,476,000] *$4,097,294,000*, of which not to exceed $1,000,000 shall remain available until September 30, 1998 for research: *Provided*, That $13,000,000 shall be used to initiate a program to utilize private [sector] *counsel law firms and* debt collection agencies in the collection activities of the Internal Revenue Service in compliance with section 104 of this Act.

INFORMATION SYSTEMS

For necessary expenses for data processing and telecommunications support for Internal Revenue Service activities, including: tax systems modernization (modernized developmental systems), modernized operational systems, services and compliance, and support systems; and for the hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; [$1,575,216,000] *$1,442,605,000, of which no less than $670,000,000 shall be available for tax systems modernization activities*, of which up to $185,000,000 for tax and information systems development projects shall remain available until September 30, 1998: [*Provided*, That of the funds appropriated for tax systems modernization, $70,000,000 may not be obligated until the Commissioner of the Internal Revenue Service reports to the Committees on Appropriations of the House and Senate on the implementation of Tax Systems Modernization] *Provided, That not later than 60 days after the date of enactment of this Act the Commissioner of the Internal Revenue Service shall provide to the Committees on Appropriations of the House and the Senate a report that (1) identifies, evaluates, and prioritizes all systems investments planned for fiscal year 1996, using explicit decision criteria, and (2) explains in detail and provides a completion schedule for all actions being taken by the Internal Revenue Service to successfully mitigate deficiencies recently identified by the General Accounting Office in the Internal Revenue Service's business strategy, management and technical infrastructure, and the management process in place to implement its tax system modernization: Provided further, That not later than 30 days after the submission of the Commissioner's report the General Accounting Office shall provide the Committees on Appropriations of the House and the Senate an independent assessment of that report: Provided further, That none of the funds appropriated for tax systems modernization, except those funds needed to operate and maintain current systems, shall be available for obligation until expressly approved by the Committees on Appropriations of the House and the Senate.*

ADMINISTRATIVE PROVISIONS—INTERNAL REVENUE SERVICE

SECTION 1. Not to exceed 2 per centum of any appropriation made available to the Internal Revenue Service for the current fiscal year by this Act may be transferred to any other Internal Revenue Service appropriation upon the advance approval of the House and Senate Committees on Appropriations: *Provided*, That notwithstanding any other provision of this Act, the Internal Revenue Service is authorized to transfer such sums as may be necessary between appropriations with advance approval of the House and Senate Appropriations Committees: [*Provided further*, That no funds shall be transferred from the "Tax Law Enforcement" account during fiscal year 1996].

SEC. 2. The Internal Revenue Service shall institute and maintain a training program to insure that Internal Revenue Service employees are trained in taxpayers' rights, in dealing courteously with the taxpayers, and in cross-cultural relations.

UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Secret Service, including purchase (not to exceed 665 vehicles for police-type use for replacement only) and hire of passenger motor vehicles; hire of aircraft; training and assistance requested by State and local governments, which may be provided without reimbursement; services of expert witnesses at such rates as may be determined by the Director; rental of buildings in the District of Columbia, and fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control, as may be necessary to perform protective functions; for payment of per diem and/or subsistence allowances to employees where a protective assignment during the actual day or days of the visit of a protectee require an employee to work 16 hours per day or to remain overnight at his or her post of duty; the conducting of and participating in firearms matches; presentation of awards; and for travel of Secret Service employees on protective missions without regard to the limitations on such expenditures in this or any other Act: *Provided*, That approval is obtained in advance from the House and Senate Committees on Appropriations; for repairs, alterations, and minor construction at the James J. Rowley Secret Service Training Center; for research and development; for making grants to conduct behavioral research in support of protective research and operations; not to exceed $12,500 for official reception and representation expenses; not to exceed $50,000 to provide technical assistance and equipment to foreign law enforcement organizations in counterfeit investigations; for payment in advance for commercial accommodations as may be necessary to perform protective functions; and for uniforms without regard to the general purchase price limitation for the current fiscal year; [$542,461,000] *$534,502,000*.

VIOLENT CRIME REDUCTION PROGRAMS

For activities authorized by Public Law 103-322, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund, as follows:

[(a) As authorized by section 190001(e), $51,686,000, of which: $33,865,000 shall be available to the United States Customs Service for expenses associated with "Operation Hardline"; $2,221,000 to the Financial Crimes Enforcement Network; $3,100,000 to the Bureau of Alcohol, Tobacco and Firearms for the development and dissemination of ballistic technologies as part of the "Ceasefire" program; $10,000,000 to the United States Secret Service; and $2,500,000 to the Federal Law Enforcement Training Center in Glynco, Georgia; and]

(a) As authorized by section 190001(e), $68,300,000, of which: $17,500,000 shall be available to the United States Customs Service for expenses associated with "Operation Hardline"; of which $2,500,000 shall be available to the Financial Crimes Enforcement Network; of which $24,700,000 shall be available to the Bureau of Alcohol, Tobacco and Firearms, of which no less than $21,200,000 shall be available to annualize the salaries and related costs for the fiscal year 1995 counter-terrorism initiative, and of which no less than $3,500,000 shall be available for administering the Gang Resistance Education and Training program; of which $21,600,000 and up to an additional 150 full-time equivalent positions which shall be in addition to those funded in the "salaries and expenses" account and which shall be available to the United States Secret Service to support White House security and anti-counterfeiting activities, and of which no less than $1,600,000 shall be available for enhancing forensics technology to aid missing and exploited children investigations; and of which $2,000,000 shall be available to the Federal Law Enforcement Training Center; and

(b) As authorized by section 32401, [$12,200,000] *$7,200,000*, for disbursement through grants, cooperative agreements or contracts, to local governments for Gang Resistance Education and Training: *Provided*, That notwithstanding sections 32401 and 310001, such funds shall be allocated only to the affected State and local law enforcement and prevention organizations participating in such projects.

GENERAL PROVISIONS—DEPARTMENT OF THE TREASURY

SECTION 101. Any obligation or expenditure by the Secretary in connection with law enforcement activities of a Federal agency or a Department of the Treasury law enforcement organization in accordance with 31 U.S.C. 9703(g)(4)(B) from unobligated balances remaining in the Fund on September 30, 1996, shall be made in compliance with the reprogramming guidelines contained in the House and Senate reports accompanying this Act.

SEC. 102. Appropriations to the Treasury Department in this Act shall be available for

uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901), including maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; purchase of motor vehicles without regard to the general purchase price limitation for vehicles purchased and used overseas for the current fiscal year; entering into contracts with the Department of State for the furnishing of health and medical services to employees and their dependents serving in foreign countries; and services authorized by 5 U.S.C. 3109.

[SEC. 103. Not to exceed 2 per centum of any appropriations in this Act for the Department of the Treasury may be transferred between such appropriations. Notwithstanding any authority to transfer funds between appropriations contained in this or any other Act, no transfer may increase or decrease any appropriation in this Act by more than 2 per centum and any such proposed transfers shall be approved in advance by the Committees on Appropriations of the House and Senate.]

SEC. 104. None of the funds appropriated by this title shall be used in connection with the collection of any underpayment of any tax imposed by the Internal Revenue Code of 1986 unless the conduct of officers and employees of the Internal Revenue Service in connection with such collection, including any private sector employees under contract to the Internal Revenue Service, complies with subsection (a) of section 805 (relating to communications in connection with debt collection), and section 806 (relating to harassment or abuse), of the Fair Debt Collection Practices Act (15 U.S.C. 1692).

SEC. 105. The Internal Revenue Service shall institute policies and procedures which will safeguard the confidentiality of taxpayer information.

SEC. 106. The funds provided to the Bureau of Alcohol, Tobacco and Firearms for fiscal year 1996 in this Act for the enforcement of the Federal Alcohol Administration Act shall be expended in a manner so as not to diminish enforcement efforts with respect to section 105 of the Federal Alcohol Administration Act.

SEC. 107. Notwithstanding any other provision of law, Customs personnel funded through reimbursement from the Puerto Rico Trust Fund shall not be reduced as the result of work force reductions required under Executive order or other guidance to Executive branch agencies in fiscal year 1996.

SEC. 108. The Secretary of the Treasury is authorized in fiscal year 1996 and hereafter, to use Treasury Department aircraft, with or without reimbursement, to assist bureaus within the Department of the Treasury or other Federal agencies, Departments or offices outside of the Department of the Treasury to provide emergency law enforcement support to protect human life, property, public health, or safety.

This title may be cited as the "Treasury Department Appropriations Act, 1996".

TITLE II—POSTAL SERVICE

PAYMENTS TO THE POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

For payment to the Postal Service Fund for revenue forgone on free and reduced rate mail, pursuant to subsections (c) and (d) of section 2401 of title 39, United States Code; $85,080,000: *Provided*, That mail for overseas voting and mail for the blind shall continue to be free: *Provided further*, That six-day delivery and rural delivery of mail shall continue at not less than the 1983 level: *Provided further*, That none of the funds made available to the Postal Service by this Act shall be used to implement any rule, regulation, or policy of charging any officer or employee of any State or local child support enforcement agency, or any individual participating in a State or local program of child support enforcement, a fee for information requested or provided concerning an address of a postal customer: *Provided further*, That none of the funds provided in this Act shall be used to consolidate or close small rural and other small post offices in the fiscal year ending on September 30, 1996.

PAYMENT TO THE POSTAL SERVICE FUND FOR NONFUNDED LIABILITIES

For payment to the Postal Service Fund for meeting the liabilities of the former Post Office Department to the Employees' Compensation Fund pursuant to 39 U.S.C. 2004, $36,828,000.

This title may be cited as the "Postal Service Appropriations Act, 1996".

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT

COMPENSATION OF THE PRESIDENT

For compensation of the President, including an expense allowance at the rate of $50,000 per annum as authorized by 3 U.S.C. 102; $250,000: *Provided*, That none of the funds made available for official expenses shall be expended for any other purpose and any unused amount shall revert to the Treasury pursuant to section 1552 of title 31 of the United States Code: *Provided further*, That none of the funds made available for official expenses shall be considered as taxable to the President.

THE WHITE HOUSE OFFICE

SALARIES AND EXPENSES

For necessary expenses for the White House as authorized by law, including not to exceed $3,850,000 for services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 105; including subsistence expenses as authorized by 3 U.S.C. 105, which shall be expended and accounted for as provided in that section; hire of passenger motor vehicles, newspapers, periodicals, teletype news service, and travel (not to exceed $100,000 to be expended and accounted for as provided by 3 U.S.C. 103); not to exceed $19,000 for official entertainment expenses, to be available for allocation within the Executive Office of the President; [$39,459,000] *$38,131,000*.

EXECUTIVE RESIDENCE AT THE WHITE HOUSE

OPERATING EXPENSES

For the care, maintenance, repair and alteration, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the Executive Residence at the White House and official entertainment expenses of the President; [$7,522,000] *$7,827,000*, to be expended and accounted for as provided by 3 U.S.C. 105, 109–110, 112–114.

WHITE HOUSE REPAIR AND RESTORATION

For the repair, alteration, and improvement of the Executive Residence at the White House, $2,200,000, to remain available until expended for replacement of the White House roof, to be expended and accounted for as provided by 3 U.S.C. 105, 109–110, 112–114.

OFFICIAL RESIDENCE OF THE VICE PRESIDENT

OPERATING EXPENSES

For the care, operation, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the official residence of the Vice President, the hire of passenger motor vehicles, and not to exceed $90,000 for official entertainment expenses of the Vice President, to be accounted for solely on his certificate; $324,000: *Provided*, That advances or repayments or transfers from this appropriation may be made to any department or agency for expenses of carrying out such activities.

SPECIAL ASSISTANCE TO THE PRESIDENT

SALARIES AND EXPENSES

For necessary expenses to enable the Vice President to provide assistance to the President in connection with specially assigned functions, services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 106, including subsistence expenses as authorized by 3 U.S.C. 106, which shall be expended and accounted for as provided in that section; and hire of passenger motor vehicles; [$3,175,000] *$3,280,000*.

COUNCIL OF ECONOMIC ADVISERS

SALARIES AND EXPENSES

For necessary expenses of the Council in carrying out its functions under the Employment Act of 1946 (15 U.S.C. 1021), $3,439,000.

OFFICE OF POLICY DEVELOPMENT

SALARIES AND EXPENSES

For necessary expenses of the Office of Policy Development, including services as authorized by 5 U.S.C. 3109, and 3 U.S.C. 107; $3,867,000.

NATIONAL SECURITY COUNCIL

SALARIES AND EXPENSES

For necessary expenses of the National Security Council, including services as authorized by 5 U.S.C. 3109; [$6,459,000] *$6,648,000*.

OFFICE OF ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Administration; [$25,736,000] *$25,560,000*, including services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 107, and hire of passenger motor vehicles.

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

For necessary expenses of the Office of Management and Budget, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109; [$55,426,000, of which no more than $6,631,000 shall be available for the Office of National Security and International Affairs, no more than $6,699,000 shall be available for the Office of General Government and Finance, no more than $7,368,000 shall be available for the Office of Natural Resources, Energy and Science, no more than $4,085,000 shall be available for the Office of Health and Personnel, no more than $3,867,000 shall be available for the Office of Human Resources, no more than $2,325,000 shall be available for the Office of Federal Financial Management, no more than $5,198,000 shall be available for the Office of Information and Regulatory Affairs, no more than $2,407,000 shall be available for the Office of Federal Procurement Policy, no more than $16,912,000 shall be available for the Office of the Director, the Office of the Deputy Director, the Office of the Deputy Director for Management, the Office of Communications, the Office of the General Counsel, the Office of Legislative Affairs, the Office of Economic Policy, the Office of Administration, the Legislative Reference Division, and the Budget Review Division] *$55,907,000*, of which not to exceed $5,000,000 shall be available to carry out the provisions of 44 U.S.C. chapter 35: *Provided*, That, as provided in 31 U.S.C. 1301(a), appropriations shall be applied only to the objects for which appropriations were made except as otherwise provided by law: *Provided further*, That none of the funds appropriated in this Act for the Office of Management and Budget may be used for the purpose of reviewing any agricultural marketing orders or any activities or regulations

under the provisions of the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 601 et seq.): *Provided further*, That none of the funds made available for the Office of Management and Budget by this Act may be expended for the altering of the transcript of actual testimony of witnesses, except for testimony of officials of the Office of Management and Budget, before the Committee on Appropriations or the Committee on Veterans' Affairs or their subcommittees: *Provided further*, That this proviso shall not apply to printed hearings released by the Committee on Appropriations or the Committee on Veterans' Affairs: *Provided further, That the Director of Office of Management and Budget shall submit to the House and Senate Committees on Appropriations (1) an analysis for the period of 30 fiscal years beginning with fiscal year 1996, of the estimated levels of total budget outlays and total new budget authority, the estimated revenues to be received, the estimated surplus or deficit, if any, for each major Federal entitlement program for each fiscal year in such period: Provided further, That no funds shall be obligated for salaries and expenses after 60 days of the date of enactment of this Act if the Director of the Office of Management and Budget has not submitted such analysis to the House and Senate Committees on Appropriations prior to such date.*

INFORMATION SECURITY OVERSIGHT OFFICE

For necessary expenses of the Information Security Oversight Office, $1,482,000.

[OFFICE OF NATIONAL DRUG CONTROL POLICY

[SALARIES AND EXPENSES

[For necessary expenses of the Office of National Drug Control Policy; for research activities pursuant to title I of Public Law 100–690; not to exceed $8,000 for official reception and representation expenses; for participation in joint projects or in the provision of services on matters of mutual interest with nonprofit, research, or public organizations or agencies, with or without reimbursement; $20,062,000, of which $10,200,000, to remain available until expended, shall be available to the Counter-Drug Technology Assessment Center for counternarcotics research and development projects and shall be available for transfer to other Federal departments or agencies, and of which $600,000 shall be transferred to the Drug Enforcement Administration for the El Paso Intelligence Center: *Provided*, That the Office is authorized to accept, hold, administer, and utilize gifts, both real and personal, for the purpose of aiding or facilitating the work of the Office.]

UNANTICIPATED NEEDS

For expenses necessary to enable the President to meet unanticipated needs, in furtherance of the national interest, security, or defense which may arise at home or abroad during the current fiscal year; $1,000,000.

[FEDERAL DRUG CONTROL PROGRAMS

[HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM

[(INCLUDING TRANSFER OF FUNDS)

[For necessary expenses of the Office of National Drug Control Policy's High Intensity Drug Trafficking Areas Program, $104,000,000 for drug control activities consistent with the approved strategy for each of the designated High Intensity Drug Trafficking Areas, of which no less than $52,000,000 shall be transferred to State and local entities for drug control activities; and of which up to $52,000,000 may be transferred to Federal agencies and departments at a rate to be determined by the Director; and of which up to $3,000,000 may be available to the Director for transfer to Federal agencies, or State and local entities, or non-profit organizations to support special demonstration projects that provide systematic programming to reduce drug use and trafficking in designated targeted areas: *Provided*, That the funds made available under this head shall be obligated within 90 days of the date of enactment of this Act, except those funds made available to the Director to support special demonstration projects which shall be obligated by June 1, 1996.]

This title may be cited as the "Executive Office Appropriations Act, 1996".

TITLE IV—INDEPENDENT AGENCIES

COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED

SALARIES AND EXPENSES

For necessary expenses of the Committee for Purchase From People Who Are Blind or Severely Disabled established by the Act of June 23, 1971, Public Law 92–28; [$1,682,000] *$1,800,000.*

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the Federal Election Campaign Act of 1971, as amended; [$26,521,000, of which no less than $1,500,000 shall be available for internal automated data processing systems] *$28,517,000*, of which not to exceed $5,000 shall be available for reception and representation expenses: [*Provided*, That none of the funds appropriated for automated data processing systems may be obligated until the Chairman of the Federal Election Commission provides to the House Committee on Appropriations a systems requirements analysis on the development of such a system.]

FEDERAL LABOR RELATIONS AUTHORITY

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Federal Labor Relations Authority, pursuant to Reorganization Plan Numbered 2 of 1978, and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, including hire of experts and consultants, hire of passenger motor vehicles, rental of conference rooms in the District of Columbia and elsewhere; [$19,742,000] *$21,398,000*: *Provided*, That public members of the Federal Service Impasses Panel may be paid travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons employed intermittently in the Government service, and compensation as authorized by 5 U.S.C. 3109: *Provided further*, That notwithstanding 31 U.S.C. 3302, funds received from fees charged to non-Federal participants at labor-management relations conferences shall be credited to and merged with this account, to be available without further appropriation for the costs of carrying out these conferences.

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDINGS FUND

LIMITATIONS ON AVAILABILITY OF REVENUE

(INCLUDING RESCISSION)

[The revenues and collections deposited into] *For additional expenses necessary to carry out the purpose of* the Fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)), *$86,000,000, to be deposited into said Fund* shall be available for necessary expenses of real property management and related activities not otherwise provided for, including operation, maintenance, and protection of Federally owned and leased buildings; rental of buildings in the District of Columbia; restoration of leased premises; moving governmental agencies (including space adjustments and telecommunications relocation expenses) in connection with the assignment, allocation and transfer of space; contractual services incident to cleaning or servicing buildings, and moving; repair and alteration of federally owned buildings including grounds, approaches and appurtenances; care and safeguarding of sites; maintenance, preservation, demolition, and equipment; acquisition of buildings and sites by purchase, condemnation, or as otherwise authorized by law; acquisition of options to purchase buildings and sites; conversion and extension of Federally owned buildings; preliminary planning and design of projects by contract or otherwise; construction of new buildings (including equipment for such buildings); and payment of principal, interest, taxes, and any other obligations for public buildings acquired by installment purchase and purchase contract, in the aggregate amount of [$5,066,822,000] *$5,087,819,000*, of which (1) not to exceed [$367,777,000] *$573,872,000* shall remain available until expended for construction of additional projects at locations and at maximum construction improvement costs (including funds for sites and expenses and associated design and construction services) as follows:

[New Construction:

[Colorado:

[Lakewood, Denver Federal Center, U.S. Geological Survey Lab Building, $10,321,000

[Florida:

[Tallahassee, U.S. Courthouse Annex, $9,606,000

[Georgia:

[Savannah, U.S. Courthouse Annex, $1,039,000

[Louisiana:

[Lafayette, Federal Building and U.S. Courthouse, $11,826,000

[Maryland:

[Montgomery and Prince Georges Counties, Food and Drug Administration, $65,764,000

[Nebraska:

[Omaha, Federal Building and U.S. Courthouse, $21,370,000

[Nevada:

[Las Vegas, U.S. Courthouse, $38,404,000

[New Mexico:

[Albuquerque, Federal Building and U.S. Courthouse, $2,450,000

[New York:

[Brooklyn, U.S. Courthouse, $49,040,000

[Central Islip, Federal Building and U.S. Courthouse, $75,641,000

[North Dakota:

[Pembina, Border Station, $4,445,000

[Ohio:

[Youngstown, U.S. Courthouse, $6,974,000

[Pennsylvania:

[Scranton, Federal Building and U.S. Courthouse Annex, $9,638,000

[South Carolina:

[Columbia, U.S. Courthouse Annex, $1,425,000

[Texas:

[Austin, Veterans Affairs Annex, $3,176,000

[Brownsville, Federal Building and U.S. Courthouse, $10,981,000

[Washington:

[Blaine, U.S. Border Station, $6,168,000

[Point Roberts, U.S. Border Station, $1,406,000

[West Virginia:

[Martinsburg, Internal Revenue Service Computer Center, $25,363,000

[Non-Prospectus Projects Program, $12,740,000:]

New Construction:

Colorado:

Lakewood, Denver Federal Center, U.S. Geological Survey Lab Building, $25,802,000
Florida:
Tallahassee, U.S. Courthouse Annex, $24,015,000
Georgia:
Savannah, U.S. Courthouse Annex, $2,597,000
Louisiana:
Lafayette, Federal Building and U.S. Courthouse, $29,565,000
Maryland:
Montgomery and Prince Georges Counties, Food and Drug Administration, $87,000,000
Nebraska:
Omaha, Federal Building and U.S. Courthouse, $53,424,000
New Mexico:
Albuquerque, Federal Building and U.S. Courthouse, $6,126,000
New York:
Central Islip, Federal Building and U.S. Courthouse, $189,102,000
North Dakota:
Pembina, Border Station, $11,113,000
Pennsylvania:
Scranton, Federal Building and U.S. Courthouse Annex, $24,095,000
South Carolina:
Columbia, U.S. Courthouse Annex, $3,562,000
Texas:
Austin, Veterans Affairs Annex, $7,940,000
Brownsville, Federal Building and U.S. Courthouse, $27,452,000
Washington:
Point Roberts, U.S. Border Station, $3,516,000
Seattle, U.S. Courthouse, $8,305,000
West Virginia:
Martinsburg, Internal Revenue Service Computer Center, $63,408,000
Non-prospectus Projects Program, $6,850,000: Provided, That each of the immediately foregoing limits of costs on new construction projects may be exceeded to the extent that savings are effected in other such projects, but not to exceed 10 per centum unless advanced approval is obtained from the House and Senate Committees on Appropriations of a greater amount: [*Provided further,* That the $6,000,000 under the heading of non-prospectus construction projects, made available in Public Laws 102-393 and 103-123 for the acquisition, lease, construction and equipping of flexiplace work telecommuting centers, is hereby increased by $5,000,000 from funds made available in this Act for non-prospectus construction projects, all of which shall remain available until expended: *Provided further,* That of the $5,000,000 made available by this Act, half shall be used for telecommuting centers in the State of Virginia and half shall be used for telecommuting centers in the State of Maryland:] *Provided further, That of the funds made available for the District of Columbia, Southeast Federal Center, under the heading, "Real Property Activities, Federal Buildings Fund, Limitations on Availability of Revenue" in Public Law 101-509, $55,000,000 are rescinded: Provided further, That the limitation on the availability of revenue contained in such Act is reduced by $55,000,000: Provided further,* That all funds for direct construction projects shall expire on September 30, 1997, and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date: *Provided further,* That claims against the Government of less than $250,000 arising from direct construction projects, acquisitions of buildings and purchase contract projects pursuant to Public Law 92-313, be liquidated with prior notification to the Committees on Appropriations of the House and Senate to the extent savings are effected in other such projects; (2) not to exceed [$713,086,000] *$627,000,000* shall remain available until expended, for repairs and alterations which includes associated design and construction services: *Provided further, That the amounts provided in this or any prior Act for Repairs and Alterations may be used to fund costs associated with implementing security improvements to buildings necessary to meet the minimum standards for security in accordance with current law and in compliance with the reprogramming guidelines of the appropriate Committees of the House and Senate: Provided further,* That funds in the Federal Buildings Fund for Repairs and Alterations shall, for prospectus projects, be limited to the amount by project as follows, except each project may be increased by an amount not to exceed 10 per centum unless advance approval is obtained from the Committees on Appropriations of the House and Senate of a greater amount:

[Repairs and Alterations:
[Arkansas:
[Little Rock, Federal Building, $7,551,000
[California:
[Sacramento, Federal Building (2800 Cottage Way), $13,636,000
[Colorado:
[Lakewood, Denver Federal Center Building 25, $29,351,000
[District of Columbia:
[Heating Plant Stacks, $11,141,000
[Lafayette Building, $33,157,000
[ICC/Connecting Wing Complex/Customs (phase 2/3), $58,275,000
[Treasury Department Building, Repair and Alteration, $7,194,000
[White House, Roof Repair and Restoration, $2,220,000
[Illinois:
[Chicago, Federal Center, $45,971,000
[Maryland:
[Woodlawn, SSA East High-Low Buildings, $17,422,000
[New York:
[New York, Silvio V. Mollo Federal Building, $4,182,000
[North Dakota:
[Bismarck, Federal Building, Post Office and U.S. Courthouse, $7,119,000
[Pennsylvania:
[Philadelphia, SSA Building, Mid-Atlantic Program Service Center, $11,376,000
Puerto Rico:
[Old San Juan, Post Office and U.S. Courthouse, $25,701,000
[Texas:
[Dallas, Federal Building (Griffin St.), $5,641,000
[Washington:
[Richland, Federal Building, U.S. Post Office and Courthouse, $12,724,000
[Nationwide:
[Chlorofluorocarbons Program, $50,430,000
[Elevator Program, $13,109,000
[Energy Program, $25,000,000
[Advance Design, $24,608,000
Repairs and Alterations:
Arkansas:
Little Rock, Federal Building, $7,551,000
California:
Sacramento, Federal Building (2800 Cottage Way), $13,636,000
District of Columbia:
ICC/Connecting Wing Complex/Customs (phase 2/3), $58,275,000
Illinois:
Chicago, Federal Center, $45,971,000
Maryland:
Woodlawn, SSA East High-Low Buildings, $17,422,000
North Dakota:
Bismarck, Federal Building, Post Office and U.S. Courthouse, $7,119,000
Pennsylvania:
Philadelphia, Byrne-Green Complex, $30,909,000
Philadelphia, SSA Building, Mid-Atlantic Program Service Center, $11,376,000
Puerto Rico:
Old San Juan, Post Office and U.S. Courthouse, $25,701,000
Texas:
Dallas, Federal Building (Griffin St.), $5,641,000
Nationwide:
Chlorofluorocarbons Program, $43,533,000
Elevator Program, $13,109,000
Energy Program, $20,000,000
Advance Design, $22,000,000

Basic Repairs and Alterations, [$307,278,000] *$304,757,000*: *Provided further,* That additional projects for which prospectuses have been fully approved may be funded under this category only if advance approval is obtained from the Committees on Appropriations of the House and Senate: *Provided further,* That the difference between the funds appropriated and expended on any projects in this or any prior Act, under the heading "Repairs and Alterations", may be transferred to Basic Repairs and Alterations or used to fund authorized increases in prospectus projects: *Provided further,* That all funds for repairs and alterations prospectus projects shall expire on September 30, 1997, and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date: [*Provided further,* That of the funds provided for Advanced Design, $100,000 shall be made available for architectural design studies for renovation of the National Veterinary Services Laboratory and a biocontainment facility at the National Animal Disease Center, Ames, Iowa:] *Provided further,* That the amount provided in this or any prior Act for Basic Repairs and Alterations may be used to pay claims against the Government arising from any projects under the heading "Repairs and Alterations" or used to fund authorized increases in prospectus projects; (3) not to exceed $181,963,000 for installment acquisition payments including payments on purchase contracts which shall remain available until expended; (4) not to exceed [$2,341,100,000] *$2,329,000,000* for rental of space which shall remain available until expended; and (5) not to exceed [$1,389,463,000] *$1,302,551,000, of which not to exceed $1,000,000 shall be available for logistical support and personnel services for the Xth Paralympiad* for building operations which shall remain available until expended: *Provided further,* That funds available to the General Services Administration shall not be available for expenses in connection with any construction, repair, alteration, and acquisition project for which a prospectus, if required by the Public Buildings Act of 1959, as amended, has not been approved, except that necessary funds may be expended for each project for required expenses in connection with the development of a proposed prospectus: [*Provided further,* That the General Services Administration shall establish a "Federal Triangle Office" reporting directly to the Commissioner of the Public Buildings Service for the purpose of completing the design and construction of the Federal Triangle Building: *Provided further,* That the Federal Triangle Office shall continue to utilize the procurement and operating procedures established for the project pursuant to the Federal Triangle Development Act (40 U.S.C. 1104), and to implement and enforce the Development Agreement and other contracts and agreements developed for the

project: *Provided further*, That the Administrator is authorized to enter into and perform such leases, contracts, or other transactions with any agency or instrumentality of the United States, the several States or the District of Columbia, or with any person, firm, association, or corporation as may be necessary to implement the Federal Triangle Project:] *Provided further*, That for the purposes of this authorization, buildings constructed pursuant to the purchase contract authority of the Public Buildings Amendments of 1972 (40 U.S.C. 602a), buildings occupied pursuant to installment purchase contracts, and buildings under the control of another department or agency where alterations of such buildings are required in connection with the moving of such other department or agency from buildings then, or thereafter to be, under the control of the General Services Administration shall be considered to be federally owned buildings: *Provided further*, That funds available in the Federal Buildings Fund may be expended for emergency repairs when advance approval is obtained from the Committees on Appropriations of the House and Senate: *Provided further*, That amounts necessary to provide reimbursable special services to other agencies under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)(6)) and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to 18 U.S.C. 3056, as amended, shall be available from such revenues and collections: *Provided further*, That revenues and collections and any other sums accruing to this Fund during fiscal year 1996, excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6)) in excess of [$5,066,822,000] *$5,087,819,000* shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.

[POLICY AND OVERSIGHT

[For necessary expenses, not otherwise provided, for government-wide policy and oversight activities associated with asset management, property management, supply management, travel and transportation, telecommunications and information technology; to fund the Board of Contract Appeals; services authorized by 5 U.S.C. 3109; and not to exceed $5,000 for official reception and representation expenses; $62,499,000.

[OPERATING EXPENSES

[For expenses authorized by law, not otherwise provided for, necessary for utilization of excess and surplus personal property; transportation; procurement; supply; and information technology activities; the utilization survey, deed compliance inspection, appraisal, environmental and cultural analysis, and land use planning functions pertaining to excess and surplus real property; accounting, records management, and other support services incident to adjudication of Indian Tribal Claims by the United States Court of Federal Claims; services as authorized by 5 U.S.C. 3109; $49,130,000.]

SALARIES AND EXPENSES, POLICY, LEADERSHIP AND OPERATIONS

For expenses authorized by law, not otherwise provided for, necessary for asset management activities; utilization of excess and surplus personal property; transportation management activities; procurement and supply management activities; Government-wide and internal responsibilities relating to automated data management, telecommunications, information resources management, and related technology activities; utilization survey, deed compliance inspection, appraisal, environmental and cultural analysis, and land use planning functions pertaining to excess and surplus real property; agency-wide policy direction; Board of Contract Appeals; accounting, records management, and other support services incident to adjudication of Indian Tribal Claims by the United States Court of Federal Claims; services as authorized by 5 U.S.C. 3109; and not to exceed $5,000 for official reception and representation expenses; $118,449,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General and services authorized by 5 U.S.C. 3109, [$32,549,000] *$34,000,000*: *Provided*, That not to exceed $5,000 shall be available for payment for information and detection of fraud against the Government, including payment for recovery of stolen Government property: *Provided further*, That not to exceed $2,500 shall be available for awards to employees of other Federal agencies and private citizens in recognition of efforts and initiatives resulting in enhanced Office of Inspector General effectiveness.

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

For carrying out the provisions of the Act of August 25, 1958, as amended (3 U.S.C. 102 note), and Public Law 95-138; $2,181,000: *Provided*, That the Administrator of General Services shall transfer to the Secretary of the Treasury such sums as may be necessary to carry out the provisions of such Acts.

GENERAL PROVISIONS—GENERAL SERVICES ADMINISTRATION

SECTION 1. The appropriate appropriation or fund available to the General Services Administration shall be credited with the cost of operation, protection, maintenance, upkeep, repair, and improvement, included as part of rentals received from Government corporations pursuant to law (40 U.S.C. 129).

SEC. 2. Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.

SEC. 3. Funds in the Federal Buildings Fund made available for fiscal year 1996 for Federal Buildings Fund activities may be transferred between such activities only to the extent necessary to meet program requirements. Any proposed transfers shall be approved in advance by the Committees on Appropriations of the House and Senate.

SEC. 4. No funds made available by this Act shall be used to transmit a fiscal year 1997 request for United States Courthouse construction that does not meet the standards for construction as established by the General Services Administration, *the Judicial Conference of the United States*, and the Office of Management and Budget and does not reflect the priorities of the [Administrative Office of the Courts] *Judicial Conference of the United States* as set out in its approved five-year construction plan.

[SEC. 5. The Administrator of General Services is authorized to accept and retain income received by the General Services Administration on or after October 1, 1993, from Federal agencies and non-Federal sources, to defray costs directly associated with the functions of flexiplace work telecommuting centers.

[SEC. 6. Of the $11,000,000 made available by this Act and Public Laws 102-393 and 103-123 for flexiplace work telecommuting centers, not less than $2,200,000 shall be available for immediate transfer to the Charles County Community College, to provide facilities, equipment, and other services to the General Services Administration for the purposes of establishing telecommuting work centers in Southern Maryland (Charles, Calvert, and St. Mary's County) for use by Government agencies designated by the Administrator of General Services: *Provided*, That the language providing authority to pay a public entity in the State of Maryland, not to exceed $1,300,000 for the purpose of establishing telecommuting work centers in Southern Maryland, under the heading "Federal Buildings Fund Limitations on Availability of Revenue" in Public Law 103-329 (108 Stat. 2400), is hereby repealed.

[SEC. 7. Not to exceed 5 percent of funds made available under the heading "Operating Expenses" and "Office of Policy and Oversight" may be transferred between such appropriations upon the advance approval of the House and Senate Committees on Appropriations.]

SEC. 8. None of the funds appropriated by this Act may be obligated or expended in any way for the purpose of the sale, excessing, surplusing, or disposal of lands in the vicinity of Norfolk Lake, Arkansas, administered by the Corps of Engineers, Department of the Army, without the specific approval of the Congress.

SEC. 9. None of the funds appropriated by this Act may be obligated or expended in any way for the purpose of the sale, excessing, surplusing, or disposal of lands in the vicinity of Bull Shoals Lake, Arkansas, administered by the Corps of Engineers, Department of the Army, without the specific approval of the Congress.

SEC. 10. Section 17(c) of Public Law 101-136 is amended by—

(a) striking "within 3 years of date of conveyance," and inserting in lieu thereof, "simultaneously"; and by striking the remainder of the first sentence following, "the islands of Hawaii, Oahu, and Molokai" and inserting a period immediately thereafter; and

(b) in paragraph (2) by striking "in the exchange described in subsection (c)(1)" and inserting, "or recreational" immediately after the word, "educational".

JOHN F. KENNEDY ASSASSINATION RECORDS REVIEW BOARD

For necessary expenses to carry out the John F. Kennedy Assassination Records Collection Act of 1992, $2,150,000.

MERIT SYSTEMS PROTECTION BOARD

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out functions of the Merit Systems Protection Board pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and direct procurement of survey printing, [$21,129,000] *$24,549,000*, together with not to exceed $2,430,000 for administrative expenses to adjudicate retirement appeals to be transferred from the Civil Service Retirement and Disability Fund in amounts determined by the Merit Systems Protection Board.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

For necessary expenses in connection with the administration of the National Archives and records and related activities, as provided by law, and for expenses necessary for the review and declassification of documents, and for the hire of passenger motor

vehicles, [$193,291,000] *$199,633,000, of which $4,500,000 shall be available until expended for cataloging, archiving and digitizing activities*: *Provided*, That the Archivist of the United States is authorized to use any excess funds available from the amount borrowed for construction of the National Archives facility, for expenses necessary to move into the facility.

ARCHIVES FACILITIES AND PRESIDENTIAL LIBRARIES

REPAIRS AND RESTORATION

For the repair, alteration, and improvement of archives facilities and presidential libraries, $1,500,000, to remain available until expended.

NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION

GRANTS PROGRAM

For necessary expenses for allocations and grants for historical publications and records as authorized by 44 U.S.C. 2504, as amended, [$4,000,000] *$5,000,000* to remain available until expended.

OFFICE OF GOVERNMENT ETHICS

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Government Ethics pursuant to the Ethics in Government Act of 1978, as amended by Public Law 100-598, and the Ethics Reform Act of 1989, Public Law 101-194, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and not to exceed $1,500 for official reception and representation expenses; [$7,776,000] *$8,328,000*.

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses to carry out functions of the Office of Personnel Management pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, medical examinations performed for veterans by private physicians on a fee basis, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, not to exceed $2,500 for official reception and representation expenses, and advances for reimbursements to applicable funds of the Office of Personnel Management and the Federal Bureau of Investigation for expenses incurred under Executive Order 10422 of January 9, 1953, as amended; [$85,524,000] *$96,384,000, of which not to exceed $1,000,000 shall be made available for the establishment of health promotion and disease prevention programs for Federal employees* and in addition [$102,536,000] *$93,261,000* for administrative expenses, to be transferred from the appropriate trust funds of the Office of Personnel Management without regard to other statutes, including direct procurement of health benefits printing, for the retirement and insurance programs, of which $11,300,000 shall be transferred at such times as the Office of Personnel Management deems appropriate, and shall remain available until expended for the costs of automating the retirement recordkeeping systems, together with remaining amounts authorized in previous Acts for the recordkeeping systems: *Provided*, That the provisions of this appropriation shall not affect the authority to use applicable trust funds as provided by section 8348(a)(1)(B) of title 5, United States Code: *Provided further*, That, except as may be consistent with 5 U.S.C. 8902a(f)(1) and (i), no payment may be made from the Employees Health Benefits Fund to any physician, hospital, or other provider of health care services or supplies who is, at the time such services or supplies are provided to an individual covered under chapter 89 of title 5, United States Code, excluded, pursuant to section 1128 or 1128A of the Social Security Act (42 U.S.C. 1320a-7-1320a-7a), from participation in any program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.): *Provided further*, That no part of this appropriation shall be available for salaries and expenses of the Legal Examining Unit of the Office of Personnel Management established pursuant to Executive Order 9358 of July 1, 1943, or any successor unit of like purpose: *Provided further*, That the President's Commission on White House Fellows, established by Executive Order 11183 of October 3, 1964, may, during the fiscal year ending September 30, 1996, accept donations of money, property, and personal services in connection with the development of a publicity brochure to provide information about the White House Fellows, except that no such donations shall be accepted for travel or reimbursement of travel expenses, or for the salaries of employees of such Commission: [*Provided further*, That no funds appropriated herein shall be used to pay administrative expenses or the compensation of any officer or employee of the United States to implement a reduction in force in the Office of Federal Investigations prior to June 30, 1996.]

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act, as amended, including services as authorized by 5 U.S.C. 3109, hire of passenger motor vehicles: $4,009,000, and in addition, not to exceed $6,181,000 for administrative expenses to audit the Office of Personnel Management's retirement and insurance programs, to be transferred from the appropriate trust funds of the Office of Personnel Management, as determined by the Inspector General: *Provided*, That the Inspector General is authorized to rent conference rooms in the District of Columbia and elsewhere.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

For payment of Government contributions with respect to retired employees, as authorized by chapter 89 of title 5, United States Code, and the Retired Federal Employees Health Benefits Act (74 Stat. 849), as amended, $3,746,337,000 to remain available until expended.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE INSURANCE

For payment of Government contributions with respect to employees retiring after December 31, 1989, as required by chapter 87 of title 5, United States Code, such sums as may be necessary.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

For financing the unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special Acts to be credited to the Civil Service Retirement and Disability Fund, such sums as may be necessary: *Provided*, That annuities authorized by the Act of May 29, 1944, as amended, and the Act of August 19, 1950, as amended (33 U.S.C. 771-75), may hereafter be paid out of the Civil Service Retirement and Disability Fund.

[GENERAL PROVISIONS—OFFICE OF PERSONNEL MANAGEMENT]

GENERAL PROVISION—OFFICE OF PERSONNEL MANAGEMENT

[SECTION 1. Section 1104 of title 5, United States Code, is amended—

[(1) in subsection (a)—

[(A) in paragraph (2)—

[(i) by striking "(except competitive examinations for administrative law judges appointed under section 3105 of this title)"; and

[(ii) by striking the semicolon at the end of paragraph (2) and inserting in lieu thereof a period; and

[(B) by striking the matter following paragraph (2) through "principles."; and

[(2) in subsection (b) by adding at the end the following new paragraph:

["(4) At the request of the head of an agency to whom a function has been delegated under subsection (a)(2), the Office may provide assistance to the agency in performing such function. Such assistance shall, to the extent determined appropriate by the Director of the Office, be performed on a reimbursable basis through the revolving fund established under section 1304(e).".

[SEC. 2. Subparagraph (B) of section 8348(a)(1) of title 5, United States Code, is amended—

[(1) by inserting "in making an allotment or assignment made by an individual under section 8345(h) or 8465(b) of this title," after "law),"; and

[(2) by striking "title 26;" and inserting "title 26 or section 8345(k) or 8469 of this title;".

[SEC. 3. Section 4(a) of the Federal Workforce Restructuring Act of 1994 (Public Law 103-226; 108 Stat. 111) is amended—

[(1) by deleting "FISCAL YEARS 1994 AND 1995" and inserting in lieu thereof: "VOLUNTARY SEPARATION INCENTIVE PAYMENTS.—"; and

[(2) in paragraph (1)(A) by striking "and before October 1, 1995,".

[SEC. 4. Title 5, United States Code, is amended—

[(1) in the second section designated as section 3329 (as added by section 4431(a) of Public Law 102-484)—

[(A) by redesignating such section as section 3330; and

[(B) by adding at the end thereof the following new subsection:

["(f) The Office may, to the extent it determines appropriate, charge such fees to agencies for services provided under this section and for related Federal employment information. The Office shall retain such fees to pay the costs of providing such services and information."; and

[(2) in the table of sections for chapter 33 by amending the second item relating to section 3329 to read as follows:

["3330. Government-wide list of vacant positions.".]

SEC. 5. Section 1 under the subheading "General Provision" under the heading "Office of Personnel Management" under title IV of the Treasury, Postal Service and General Government Appropriations Act, 1992 (Public Law 102-141; 105 Stat. 861; 5 U.S.C. 5941 note), as amended by section 532 of the Treasury, Postal Service and General Government Appropriations Act, 1995 (Public Law 103-329; 108 Stat. 2413), is further amended by striking "1996" both places it appears and inserting in lieu thereof "1998".

OFFICE OF SPECIAL COUNSEL

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Special Counsel pursuant to Reorganization Plan Numbered 2 of

1978, the Civil Service Reform Act of 1978 (Public Law 95–454), the Whistleblower Protection Act of 1989 (Public Law 101–12), Public Law 103–424, and the Uniformed Services Employment and Reemployment Act of 1994 (Public Law 103–353), including services as authorized by 5 U.S.C. 3109, payment of fees and expenses for witnesses, rental of conference rooms in the District of Columbia and elsewhere, and hire of passenger motor vehicles; $7,840,000.

UNITED STATES TAX COURT

SALARIES AND EXPENSES

For necessary expenses, including contract reporting and other services as authorized by 5 U.S.C. 3109; [$32,899,000] *$33,639,000*: *Provided*, That travel expenses of the judges shall be paid upon the written certificate of the judge.

This title may be cited as the "Independent Agencies Appropriations Act, 1996".

TITLE V—GENERAL PROVISIONS

THIS ACT

[SECTION 501. No part of any appropriation made available in this Act shall be used for the purchase or sale of real estate or for the purpose of establishing new offices inside or outside the District of Columbia: *Provided*, That this limitation shall not apply to programs which have been approved by the Congress and appropriations made therefor.]

SEC. 502. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 503. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 504. None of the funds made available to the General Services Administration pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949 shall be obligated or expended after the date of enactment of this Act for the procurement by contract of any guard, elevator operator, messenger or custodial services if any permanent veterans preference employee of the General Services Administration at said date, would be terminated as a result of the procurement of such services, except that such funds may be obligated or expended for the procurement by contract of the covered services with sheltered workshops employing the severely handicapped under Public Law 92–28. Only if such workshops decline to contract for the provision of the covered services may the General Services Administration procure the services by competitive contract, for a period not to exceed 5 years. At such time as such competitive contract expires or is terminated for any reason, the General Services Administration shall again offer to contract for the services from a sheltered workshop prior to offering such services for competitive procurement.

SEC. 505. None of the funds made available by this Act shall be available for any activity or for paying the salary of any Government employee where funding an activity or paying a salary to a Government employee would result in a decision, determination, rule, regulation, or policy that would prohibit the enforcement of section 307 of the Tariff Act of 1930.

SEC. 506. None of the funds made available by this Act shall be available for the purpose of transferring control over the Federal Law Enforcement Training Center located at Glynco, Georgia, and Artesia, New Mexico, out of the Treasury Department.

SEC. 507. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not heretofore authorized by the Congress.

SEC. 508. No part of any appropriation contained in this Act shall be available for the payment of the salary of any officer or employee of the United States Postal Service, who—

(1) prohibits or prevents, or attempts or threatens to prohibit or prevent, any officer or employee of the United States Postal Service from having any direct oral or written communication or contact with any Member or committee of Congress in connection with any matter pertaining to the employment of such officer or employee or pertaining to the United States Postal Service in any way, irrespective of whether such communication or contact is at the initiative of such officer or employee or in response to the request or inquiry of such Member or committee; or

(2) removes, suspends from duty without pay, demotes, reduces in rank, seniority, status, pay, or performance of efficiency rating, denies promotion to, relocates, reassigns, transfers, disciplines, or discriminates in regard to any employment right, entitlement, or benefit, or any term or condition of employment of, any officer or employee of the United States Postal Service, or attempts or threatens to commit any of the foregoing actions with respect to such officer or employee, by reason of any communication or contact of such officer or employee with any Member or committee of Congress as described in paragraph (1) of this subsection.

[SEC. 509. Funds under this Act shall be available as authorized by sections 4501–4506 of title 5, United States Code, when the achievement involved is certified, or when an award for such achievement is otherwise payable, in accordance with such sections. Such funds may not be used for any purpose with respect to which the preceding sentence relates beyond fiscal year 1996.]

SEC. 510. The Office of Personnel Management may, during the fiscal year ending September 30, 1996, accept donations of supplies, services, land and equipment for the Federal Executive Institute, [the Federal Quality Institute,] and Management Development Centers to assist in enhancing the quality of Federal management.

SEC. 511. The United States Secret Service may, during the fiscal year ending September 30, 1996, accept donations of money to off-set costs incurred while protecting former Presidents and spouses of former Presidents when the former President or spouse travels for the purpose of making an appearance or speech for a payment of money or any thing of value.

[SEC. 512. None of the funds made available by this Act may be used to withdraw the designation of the Virginia Inland Port at Front Royal, Virginia, as a United States Customs Service port of entry.]

SEC. 513. No part of any appropriation contained in this Act shall be available to pay the salary for any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the Armed Forces of the United States and has satisfactorily completed his period of active military or naval service and has within ninety days after his release from such service or from hospitalization continuing after discharge for a period of not more than one year made application for restoration to his former position and has been certified by the Office of Personnel Management as still qualified to perform the duties of his former position and has not been restored thereto.

SEC. 514. None of the funds made available in this Act may be used to provide any nonpublic information such as mailing or telephone lists to any person or any organization outside of the Federal Government without the approval of the House and Senate Committees on Appropriations.

SEC. 515. COMPLIANCE WITH BUY AMERICAN ACT.—No funds appropriated pursuant to this Act may be expended by an entity unless the entity agrees that in expending the assistance the entity will comply with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a–10c, popularly known as the "Buy American Act").

SEC. 516. SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.—(a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or products that may be authorized to be purchased with financial assistance provided under this Act, it is the sense of the Congress that entities receiving such assistance should, in expending the assistance, purchase only American-made equipment and products.

(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance under this Act, the Secretary of the Treasury shall provide to each recipient of the assistance a notice describing the statement made in subsection (a) by the Congress.

SEC. 517. PROHIBITION OF CONTRACTS.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, such person shall be ineligible to receive any contract or subcontract made with funds provided pursuant to this Act, pursuant to the debarment, suspension, and ineligibility procedures described in section 9.400 through 9.409 of title 48, Code of Federal Regulations.

[SEC. 518. Except as otherwise specifically provided by law, not to exceed 50 percent of unobligated balances remaining available at the end of fiscal year 1996 from appropriations made available for salaries and expenses for fiscal year 1996 in this Act, shall remain available through September 30, 1997 for each such account for the purposes authorized: *Provided*, That a request shall be submitted to the House and Senate Committees on Appropriations for approval prior to the expenditure of such funds.]

SEC. 519. Where appropriations in this Act are expendable for travel expenses of employees and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amount set forth therefore in the budget estimates submitted for appropriations without the advance approval of the House and Senate Committees on Appropriations: *Provided*, That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards in the Selective Service System; to travel performed directly in connection with care and treatment of medical beneficiaries of the Department of Veterans Affairs; to travel of the Office of Personnel Management in carrying out its observation responsibilities of the Voting Rights Act; or to payments to interagency motor pools separately set forth in the budget schedules.

SEC. 520. Notwithstanding any other provision of law or regulation: (1) The authority of the special police officers of the Bureau of Engraving and Printing, in the Washington, DC Metropolitan area, extends to buildings and land under the custody and control of the Bureau; to buildings and land acquired by or for the Bureau through lease, unless otherwise provided by the acquisition agency; to the streets, sidewalks and open areas immediately adjacent to the Bureau along Wallenberg Place (15th Street) and 14th Street between Independence and Maine Avenues and C and D Streets between 12th and 14th Streets; to areas which include surrounding parking facilities used by Bureau employees, including the lots at 12th and C Streets, SW, Maine Avenue and Water Streets, SW, Maiden Lane, the Tidal Basin and East Potomac Park; to the protection in transit of United States securities, plates and dies used in the production of United States securities, or other products or implements of the Bureau of Engraving and Printing which the Director of that agency so designates; (2) The exercise of police authority by Bureau officers, with the exception of the exercise of authority upon property under the custody and control of the Bureau, shall be deemed supplementary to the Federal police force with primary jurisdictional responsibility. This authority shall be in addition to any other law enforcement authority which has been provided to these officers under other provisions of law or regulations.

[SEC. 521. Section 5378 of Title 5, United States Code, is amended by adding: "(8) Chief—not more than the maximum rate payable for GS-14."]

[SEC. 522. Notwithstanding any other provision of law, there is hereby established in the Treasury of the United States, a United States Mint Public Enterprise Fund (the "Fund")] *Subchapter III of chapter 51 of subtitle IV of title 31, United States Code, is amended by adding at the end thereof the following new section: "sec. 5136 united states mint public enterprise fund." There shall be established in the Treasury of the United States, a United States Mint Public Enterprise Fund (the "Fund") for fiscal year 1996 and hereafter: Provided*, That all receipts from Mint operations and programs, including the production and sale of numismatic items, the production and sale of circulating coinage, the protection of Government assets, and gifts and bequests of property, real or personal shall be deposited into the Fund and shall be available without fiscal year limitations: *Provided further*, That all expenses incurred by the Secretary of the Treasury for operations and programs of the United States Mint that the Secretary of the Treasury determines, in the Secretary's sole discretion, to be ordinary and reasonable incidents of Mint operations and programs, and any expense incurred pursuant to any obligation or other commitment of Mint operations and programs that was entered into before the establishment of the Fund, shall be paid out of the Fund: *Provided further*, That not to exceed 6.2415 percent of the nominal value of the coins minted, shall be paid out of the Fund for the circulating coin operations and programs *previously provided for by appropriation*: *Provided further*, That the Secretary of the Treasury may borrow such funds from the General Fund as may be necessary to meet existing liabilities and obligations incurred prior to the receipt of revenues into the Fund [and:] *Provided further, That* the General Fund shall be reimbursed for such funds by the Fund within one year of the date of the loan [and:] *Provided further, That the Fund may* retain receipts from the Federal Reserve System from the sale of circulating coins at face value for deposit into the Fund; [and:] *Provided further, That the Secretary of Treasury shall* transfer to the Fund all assets and liabilities of the Mint operations and programs, including all Numismatic Public Enterprise Fund assets and liabilities, all receivables, unpaid obligations and unobligated balances from the Mint's appropriation, the Coinage Profit Fund, and the Coinage Metal Fund, and the land and buildings of the Philadelphia Mint, Denver Mint, and the Fort Knox Bullion Depository: *Provided further*, That the Numismatic Public Enterprise Fund, the Coinage Profit Fund and the Coinage Metal Fund shall cease to exist as separate funds as their activities and functions are subsumed under and subject to the Fund, and the requirements of 31 USC 5134(c)(4), (c)(5)(B), and (d) and (e) of the Numismatic Public Enterprise Fund shall apply to the Fund: *Provided further*, That at such times as the Secretary of the Treasury determines appropriate, but not less than annually, any amount in the Fund that is determined to be in excess of the amount required by the Fund shall be transferred to the Treasury for deposit as miscellaneous receipts: *Provided further*, That the term "Mint operations and programs" means (1) the activities concerning, and assets utilized in, the production, administration, distribution, marketing, purchase, sale, and management of coinage, numismatic items, the protection and safeguarding of Mint assets and those non-Mint assets in the custody of the Mint, and the Fund; and (2) includes capital, personnel salaries and compensation, functions relating to operations, marketing, distribution, promotion, advertising, official reception and representation, the acquisition or replacement of equipment, the renovation or modernization of facilities, and the construction or acquisition of new buildings: *Provided further*, That the term "numismatic item" [means] *includes* any medal, proof coin, uncirculated coin, bullion coin, [or other coin specifically designated by statute as a numismatic item, including] numismatic collectible other monetary issuances and products and accessories related to any such medal, coin, [or item:] *Provided further*, [That provisions of law governing procurement or public contracts shall not be applicable to the procurement of goods or services necessary for carrying out Mint programs and operations and such programs and operations shall also be exempt from all government personnel regulations, ceilings, and full-time equivalent controls.

SEC. 523. Section 531 of Public Law 103-329, is amended by inserting, "of the first section", after "adding at the end".

[SEC. 524. No funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverage for abortions.

[SEC. 525. The provision of section 524 shall not apply where the life of the mother would be endangered if the fetus were carried to term.

[SEC. 526. Notwithstanding any other provision of law, the Administrator of General Services shall delegate the authority to procure automatic data processing equipment for the Tax Systems Modernization Program to the Secretary of the Treasury: *Provided*, That the Director of the Office of Management and Budget shall have the authority to revoke such delegation upon the written recommendation of the Administrator that the Secretary's actions under such delegation are inconsistent with the goals of economic and efficient procurement and utilization of automatic data processing equipment: *Provided further*, That for all other purposes, a procurement conducted under such delegation shall be treated as if made under a delegation by the Administrator pursuant to 40 U.S.C. 759.

[SEC. 527. RELIEF OF CERTAIN PERIODICAL PUBLICATIONS.—For mail classification purposes under section 3626 of title 39, United States Code, and any regulations of the United States Postal Service for the administration of that section, a weekly second-class periodical publication which—

[(i) is eligible to publish legal notices under any applicable laws of the State where it is published;

[(ii) is eligible to be mailed at the rates for mail under former subsection 4358 (a), (b), and (c) of title 39, United States Code, as limited by current subsection 3626(g) of that title; and

[(iii) the pages of which were customarily secured by 2 staples before March 19, 1989; shall not be considered to be a bound publication solely because its pages continue to be secured by 2 staples after that date.

[SEC. 528. None of the funds in this Act may be obligated or expended for employee training that does not meet identified needs for knowledge, skills and abilities bearing directly upon the performance of official duties.]

SEC. 529. (a) Prior to February 15, 1996, none of the funds appropriated by this Act may, with respect to an individual employed by the Bureau of the Public Debt in the Washington metropolitan region on April 10, 1991, be used to separate, reduce the grade or pay of, or carry out any other adverse personnel action against such individual for declining to accept a directed reassignment to a position outside such region, pursuant to a transfer of any such Bureau's operations or functions to Parkersburg, West Virginia.

(b) Subsection (a) shall not apply with respect to any individual who, prior to February 15, 1996, declines an offer of another position in the Department of the Treasury which is of at least equal pay and which is within the Washington metropolitan region.

TITLE VI—GOVERNMENTWIDE GENERAL PROVISIONS

DEPARTMENTS, AGENCIES, AND CORPORATIONS

SECTION 601. Funds appropriated in this or any other Act may be used to pay travel to the United States for the immediate family of employees serving abroad in cases of death or life threatening illness of said employee.

SEC. 602. No department, agency, or instrumentality of the United States receiving appropriated funds under this or any other Act for fiscal year 1996 shall obligate or expend any such funds, unless such department, agency, or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from the illegal use, possession, or distribution of controlled substances (as defined in the Controlled Substances Act) by the officers and employees of such department, agency, or instrumentality.

SEC. 603. Notwithstanding 31 U.S.C. 1345, any agency, department or instrumentality of the United States which provides or proposes to provide child care services for Federal employees may reimburse any Federal employee or any person employed to provide such services for travel, transportation, and subsistence expenses incurred for training classes, conferences or other meetings in connection with the provision of such services: *Provided*, That any per diem allowance made pursuant to this section shall not exceed the rate specified in regulations prescribed pursuant to section 5707 of title 5, United States Code.

SEC. 604. Unless otherwise specifically provided, the maximum amount allowable during the current fiscal year in accordance with section 16 of the Act of August 2, 1946 (60 Stat. 810), for the purchase of any passenger motor vehicle (exclusive of buses, ambulances, law enforcement, and undercover surveillance vehicles), is hereby fixed at $8,100 except station wagons for which the maximum shall be $9,100: *Provided*, That these limits may be exceeded by not to exceed $3,700 for police-type vehicles, and by not to exceed $4,000 for special heavy-duty vehicles: *Provided further*, That the limits set forth in this section may not be exceeded by more than five percent for electric or hybrid vehicles purchased for demonstration under the provisions of the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976: *Provided further*, That the limits set forth in this section may be exceeded by the incremental cost of clean alternative fuels vehicles acquired pursuant to Public Law 101–549 over the cost of comparable conventionally fueled vehicles.

SEC. 605. Appropriations of the executive departments and independent establishments for the current fiscal year available for expenses of travel or for the expenses of the activity concerned, are hereby made available for quarters allowances and cost-of-living allowances, in accordance with 5 U.S.C. 5922–24.

SEC. 606. Unless otherwise specified during the current fiscal year no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in the continental United States unless such person (1) is a citizen of the United States, (2) is a person in the service of the United States on the date of enactment of this Act who, being eligible for citizenship, has filed a declaration of intention to become a citizen of the United States prior to such date and is actually residing in the United States, (3) is a person who owes allegiance to the United States, (4) is an alien from Cuba, Poland, South Vietnam, the countries of the former Soviet Union, or the Baltic countries lawfully admitted to the United States for permanent residence, or (5) South Vietnamese, Cambodian, and Laotian refugees paroled in the United States after January 1, 1975, or (6) nationals of the People's Republic of China that qualify for adjustment of status pursuant to the Chinese Student Protection Act of 1992: *Provided*, That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his or her status have been complied with: *Provided further*, That any person making a false affidavit shall be guilty of a felony, and, upon conviction, shall be fined no more than $4,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further*, That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of Ireland, Israel, the Republic of the Philippines or to nationals of those countries allied with the United States in the current defense effort, or to international broadcasters employed by the United States Information Agency, or to temporary employment of translators, or to temporary employment in the field service (not to exceed sixty days) as a result of emergencies.

SEC. 607. Appropriations available to any department or agency during the current fiscal year for necessary expenses, including maintenance or operating expenses, shall also be available for payment to the General Services Administration for charges for space and services and those expenses of renovation and alteration of buildings and facilities which constitute public improvements performed in accordance with the Public Buildings Act of 1959 (73 Stat. 749), the Public Buildings Amendments of 1972 (87 Stat. 216), or other applicable law.

SEC. 608. In addition to funds provided in this or any other Act, all Federal agencies are authorized to receive and use funds resulting from the sale of materials recovered through recycling or waste prevention programs. Such funds shall be available until expended for the following purposes:

(1) Acquisition, waste reduction and prevention and recycling programs as described in Executive Order 12873 (October 20, 1993), including any such programs adopted prior to the effective date of the Executive Order.

(2) Other Federal agency environmental management programs, including but not limited to, the development and implementation of hazardous waste management and pollution prevention programs.

(3) Other employee programs as authorized by law or as deemed appropriate by the head of the Federal agency.

SEC. 609. Funds made available by this or any other Act for administrative expenses in the current fiscal year of the corporations and agencies subject to chapter 91 of title 31, United States Code, shall be available, in addition to objects for which such funds are otherwise available, for rent in the District of Columbia; services in accordance with 5 U.S.C. 3109; and the objects specified under this head, all the provisions of which shall be applicable to the expenditure of such funds unless otherwise specified in the Act by which they are made available: *Provided*, That in the event any functions budgeted as administrative expenses are subsequently transferred to or paid from other funds, the limitations on administrative expenses shall be correspondingly reduced.

SEC. 610. No part of any appropriation for the current fiscal year contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve the nomination of said person.

SEC. 611. Any department or agency to which the Administrator of General Services has delegated the authority to operate, maintain or repair any building or facility pursuant to section 205(d) of the Federal Property and Administrative Services Act of 1949, as amended, shall retain that portion of the GSA rental payment available for operation, maintenance or repair of the building or facility, as determined by the Administrator, and expend such funds directly for the operation, maintenance or repair of the building or facility. Any funds retained under this section shall remain available until expended for such purposes.

SEC. 612. Pursuant to section 1415 of the Act of July 15, 1952 (66 Stat. 662), foreign credits (including currencies) owed to or owned by the United States may be used by Federal agencies for any purpose for which appropriations are made for the current fiscal year (including the carrying out of Acts requiring or authorizing the use of such credits), only when reimbursement therefor is made to the Treasury from applicable appropriations of the agency concerned: *Provided*, That such credits received as exchanged allowances or proceeds of sales of personal property may be used in whole or part payment for acquisition of similar items, to the extent and in the manner authorized by law, without reimbursement to the Treasury.

SEC. 613. No part of any appropriation contained in this or any other Act shall be available for interagency financing of boards, commissions, councils, committees, or similar groups (whether or not they are interagency entities) which do not have a prior and specific statutory approval to receive financial support from more than one agency or instrumentality.

SEC. 614. Funds made available by this or any other Act to the "Postal Service Fund" (39 U.S.C. 2003) shall be available for employment of guards for all buildings and areas owned or occupied by the Postal Service and under the charge and control of the Postal Service, and such guards shall have, with respect to such property, the powers of special policemen provided by the first section of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318), and, as to property owned or occupied by the Postal Service, the Postmaster General may take the same actions as the Administrator of General Services may take under the provisions of sections 2 and 3 of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318a, 318b), attaching thereto penal consequences under the authority and within the limits provided in section 4 of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318c).

SEC. 615. None of the funds made available pursuant to the provisions of this Act shall be used to implement, administer, or enforce any regulation which has been disapproved pursuant to a resolution of disapproval duly adopted in accordance with the applicable law of the United States.

SEC. 616. (a) Notwithstanding any other provision of law, and except as otherwise provided in this section, no part of any of the funds appropriated for the fiscal year ending on September 30, 1996, by this or any other Act, may be used to pay any prevailing rate employee described in section 5342(a)(2)(A) of title 5, United States Code—

(1) during the period from the date of expiration of the limitation imposed by section 617 of the Treasury, Postal Service and General Government Appropriations Act, 1995, until the normal effective date of the applicable wage survey adjustment that is to take effect in fiscal year 1996, in an amount that exceeds the rate payable for the applicable grade and step of the applicable wage schedule in accordance with such section 617; and

(2) during the period consisting of the remainder of fiscal year 1996, in an amount that exceeds, as a result of a wage survey adjustment, the rate payable under paragraph (1) by more than the sum of—

(A) the percentage adjustment taking effect in fiscal year 1996 under section 5303 of title 5, United States Code, in the rates of pay under the General Schedule; and

(B) the difference between the overall average percentage of the locality-based comparability payments taking effect in fiscal year 1996 under section 5304 of such title (whether by adjustment or otherwise), and the overall average percentage of such payments which was effective in fiscal year 1995 under such section.

(b) Notwithstanding any other provision of law, no prevailing rate employee described in

subparagraph (B) or (C) of section 5342(a)(2) of title 5, United States Code, and no employee covered by section 5348 of such title, may be paid during the periods for which subsection (a) is in effect at a rate that exceeds the rates that would be payable under subsection (a) were subsection (a) applicable to such employee.

(c) For the purposes of this section, the rates payable to an employee who is covered by this section and who is paid from a schedule not in existence on September 30, 1995, shall be determined under regulations prescribed by the Office of Personnel Management.

(d) Notwithstanding any other provision of law, rates of premium pay for employees subject to this section may not be changed from the rates in effect on September 30, 1995, except to the extent determined by the Office of Personnel Management to be consistent with the purpose of this section.

(e) This section shall apply with respect to pay for service performed after September 30, 1995.

(f) For the purpose of administering any provision of law (including section 8431 of title 5, United States Code, and any rule or regulation that provides premium pay, retirement, life insurance, or any other employee benefit) that requires any deduction or contribution, or that imposes any requirement or limitation on the basis of a rate of salary or basic pay, the rate of salary or basic pay payable after the application of this section shall be treated as the rate of salary or basic pay.

(g) Nothing in this section shall be considered to permit or require the payment to any employee covered by this section at a rate in excess of the rate that would be payable were this section not in effect.

(h) The Office of Personnel Management may provide for exceptions to the limitations imposed by this section if the Office determines that such exceptions are necessary to ensure the recruitment or retention of qualified employees.

SEC. 617. During the period in which the head of any department or agency, or any other officer or civilian employee of the Government appointed by the President of the United States, holds office, no funds may be obligated or expended in excess of $5,000 to furnish or redecorate the office of such department head, agency head, officer or employee, or to purchase furniture or make improvements for any such office, unless advance notice of such furnishing or redecoration is expressly approved by the Committees on Appropriations of the House and Senate. For the purposes of this section, the word "office" shall include the entire suite of offices assigned to the individual, as well as any other space used primarily by the individual or the use of which is directly controlled by the individual.

SEC. 618. Notwithstanding any other provision of law, no executive branch agency shall purchase, construct, and/or lease any additional facilities, except within or contiguous to existing locations, to be used for the purpose of conducting Federal law enforcement training without the advance approval of the House and Senate Committees on Appropriations.

[SEC. 619. (a) No amount of any grant made by a Federal agency shall be used to finance the acquisition of goods or services (including construction services) unless the recipient of the grant agrees, as a condition for the receipt of such grant, to—

[(1) specify in any announcement of the awarding of the contract for the procurement of the goods and services involved (including construction services) the amount of Federal funds that will be used to finance the acquisition; and

[(2) express the amount announced pursuant to paragraph (1) as a percentage of the total costs of the planned acquisition.

[(b) The requirements of subsection (a) shall not apply to a procurement for goods or services (including construction services) that has an aggregate value of less than $500,000.]

SEC. 620. Notwithstanding section 1346 of title 31, United States Code, funds made available for fiscal year 1996 by this or any other Act shall be available for the interagency funding of national security and emergency preparedness telecommunications initiatives which benefit multiple Federal departments, agencies, or entities, as provided by Executive Order Numbered 12472 (April 3, 1984).

SEC. 621. Notwithstanding any provisions of this or any other Act, during the fiscal year ending September 30, 1996, and hereafter, any department, division, bureau, or office may use funds appropriated by this or any other Act to install telephone lines, and necessary equipment, and to pay monthly charges, in any private residence or private apartment of an employee who has been authorized to work at home in accordance with guidelines issued by the Office of Personnel Management: *Provided*, That the head of the department, division, bureau, or office certifies that adequate safeguards against private misuse exist, and that the service is necessary for direct support of the agency's mission.

SEC. 622. (a) None of the funds appropriated by this or any other Act may be obligated or expended by any Federal department, agency, or other instrumentality for the salaries or expenses of any employee appointed to a position of a confidential or policy-determining character excepted from the competitive service pursuant to section 3302 of title 5, United States Code, without a certification to the Office of Personnel Management from the head of the Federal department, agency, or other instrumentality employing the Schedule C appointee that the Schedule C position was not created solely or primarily in order to detail the employee to the White House.

(b) The provisions of this section shall not apply to Federal employees or members of the armed services detailed to or from—

(1) the Central Intelligence Agency;

(2) the National Security Agency;

(3) the Defense Intelligence Agency;

(4) the offices within the Department of Defense for the collection of specialized national foreign intelligence through reconnaissance programs;

(5) the Bureau of Intelligence and Research of the Department of State;

(6) any agency, office, or unit of the Army, Navy, Air Force, and Marine Corps, the Federal Bureau of Investigation and the Drug Enforcement Administration of the Department of Justice, the Department of Transportation, the Department of the Treasury, and the Department of Energy performing intelligence functions; and

(7) the Director of Central Intelligence.

SEC. 623. No department, agency, or instrumentality of the United States receiving appropriated funds under this or any other Act for fiscal year 1996 shall obligate or expend any such funds, unless such department, agency or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from discrimination and sexual harassment and that all of its workplaces are not in violation of title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act of 1967, and the Rehabilitation Act of 1973.

SEC. 624. No part of any appropriation contained in this Act may be used to pay for the expenses of travel of employees, including employees of the Executive Office of the President, not directly responsible for the discharge of official governmental tasks and duties: *Provided*, That this restriction shall not apply to the family of the President, Members of Congress or their spouses, Heads of State of a foreign country or their designee(s), persons providing assistance to the President for official purposes, or other individuals so designated by the President.

SEC. 625. Notwithstanding any provision of law, the President, or his designee, must certify to Congress, annually, that no person or persons with direct or indirect responsibility for administering the Executive Office of the President's Drug-Free Workplace Plan are themselves subject to a program of individual random drug testing.

SEC. 626. (a) Beginning in fiscal year 1996 and thereafter, for each Federal agency, except the Department of Defense (which has separate authority), *and except as provided in Public Law 102–393, title IV, section 13 (40 U.S.C. 490g) with respect to the Fund established pursuant to 40 U.S.C. 490(f)*, an amount equal to 50 percent of—

(1) the amount of each utility rebate received by the agency for energy efficiency and water conservation measures, which the agency has implemented; and

(2) the amount of the agency's share of the measured energy savings resulting from energy-savings performance contracts

may be retained and credited to accounts that fund energy and water conservation activities at the agency's facilities, and shall remain available until expended for additional specific energy efficiency or water conservation projects or activities, including improvements and retrofits, facility surveys, additional or improved utility metering, and employee training and awareness programs, as authorized by section 152(f) of the Energy Policy Act (Public Law 102–486).

(b) The remaining 50 percent of each rebate, and the remaining 50 percent of the amount of the agency's share of savings from energy-savings performance contracts, shall be transferred to the General Fund of the Treasury at the end of the fiscal year in which received.

[SEC. 627. Notwithstanding any other provision of law, there is hereby established a Commission which shall be known as the "Commission on Federal Mandates" (hereafter referred to as the "Commission"): *Provided*, That the Commission shall be composed of nine Members appointed from individuals who possess extensive leadership experience in and knowledge of State, local, and tribal governments and intergovernmental relations, including State and local elected officials, as follows: (1) three Members appointed by the Speaker of the House of Representatives, in consultation with the minority leader of the House of Representatives; (2) three Members appointed by the majority leader of the Senate, in consultation with the minority leader of the Senate: and (3) three Members appointed by the President: *Provided further*, That appointments may be made under this section without regard to section 5311(b) of title 5, United States Code: *Provided further*, That in general, each member of the Commission shall

be appointed for the life of the Commission and a vacancy in the Commission shall be filled in the manner in which the original appointment was made: *Provided further*, That (1) Members of the Commission shall serve without pay; (2) Members of the Commission who are full-time officers or employees of the United States may not receive additional pay, allowances or benefits by reason of their service on the Commission; and (3) Each Member of the Commission may receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code: *Provided further*, That the Commission shall convene its first meeting by not later than 15 days after the date of the completion of appointment of the Members of the Commission: *Provided further*, That the Commission shall report on Federal mandates as specified in sections 302 (a), (c), (d), (e), and (f) of Public Law 104–4: *Provided further*, That the Commission shall have all authorities specified under section 303 of Public Law 104–4: *Provided further*, That the term "Federal mandate" shall have the same meaning as specified in section 305 of Public Law 104–4, notwithstanding sections 3 and 4 of that law: *Provided further*, That the Commission shall terminate 90 days after making the final report identified above.

[SEC. 628. The amounts otherwise provided in tis Act under the heading "General Services Administration—Federal Buildings Fund—Limitations on Availability of Revenue" for the following purposes are each reduced by $65,764,000:

[(1) Aggregate amount available from the Fund.

[(2) Total Amount available from the Fund for construction of additional projects.

[(3) Amount available for new construction, Maryland, Montgomery and Prince George's Counties, Food and Drug Administration, Phase II.

[(4) Amount in excess of which revenues and collections accruing to the Fund shall remain in the Fund.

[SEC. 629. None of the funds made available in this Act may be obligated or expended for any employee training when it is made known to the Federal official having authority to obligate or expend such funds that such employee training—

[(1) does not meet identified needs for knowledge, skills, and abilities bearing directly upon the performance of official duties;

[(2) contains elements likely to induce high levels of emotional response or psychological stress in some participants;

[(3) does not require prior employee notification of the content and methods to be used in the training and written end of course evaluations;

[(4) contains any methods or content associated with religious or quasi-religious belief systems or "new age" belief systems as defined in Equal Employment Opportunity Commission Notice N–915.022, dated September 2, 1988;

[(5) is offensive to, or designed to change, participants' personal values or lifestyle outside the workplace; or

[(6) includes content related to human immunodeficiency virus/acquired immune deficiency syndrome (HIV/AIDS) other than that necessary to make employees more aware of the medical ramifications of HIV/AIDS and the workplace rights of HIV-positive employees.

[SEC. 630. No amount made available in this Act may be used for the salaries or expenses of any employee, including any employee of the Executive Office of the President, in connection with the obligation or expenditure of funds in the exchange stabilization fund when it is made known to the Federal official to whom such amounts are made available in this Act that such obligation or expenditure is for the purpose of bolstering any foreign currency.]

SEC. 631. (a) Notwithstanding the provisions of sections 112 and 113 of title 3, United States Code, each Executive agency detailing any personnel shall submit on an annual basis in each fiscal year to the Senate and House Committees on Appropriations on all employees or members of the armed services detailed to Executive agencies, listing the grade, position, and offices of each person detailed and the agency to which each such person is detailed.

(b) The provisions of this section shall not apply to Federal employees or members of the armed services detailed to or from—

(1) the Central Intelligence Agency;

(2) the National Security Agency;

(3) the Defense Intelligence Agency;

(4) the offices within the Department of Defense for the collection of specialized national foreign intelligence through reconnaissance programs;

(5) the Bureau of Intelligence and Research of the Department of State;

(6) any agency, office, or unit of the Army, Navy, Air Force, Marine Corps, the Federal Bureau of Investigation and the Drug Enforcement Administration of the Department of Justice, the Department of the Treasury, the Department of Transportation, and the Department of Energy performing intelligence functions; and

(7) the Director of Central Intelligence.

(c) The exemptions in part (b) of this section are not intended to apply to information on the use of personnel detailed to or from the intelligence agencies which is currently being supplied to the Senate and House Intelligence and Appropriations Committees by the executive branch through budget justification materials and other reports.

(d) For the purpose of this section, the term "Executive agency" has the same meaning as defined under section 105 of title 5, United States Code (except that the provisions of section 104(2) of title 5, United States Code, shall not apply), and includes the White House Office, the Executive Residence, and any office, council, or organizational unit of the Executive Office of the President.

SEC. 632. No funds appropriated in this or any other Act for fiscal year 1996 may be used to implement or enforce the agreements in Standard Forms 312 and 4355 of the Government or any other nondisclosure policy, form or agreement if such policy, form or agreement does not contain the following provisions: "These restrictions are consistent with and do not supersede, conflict with or otherwise alter the employee obligations, rights or liabilities created by Executive Order 12356; section 7211 of title 5, United States Code (governing disclosures to Congress); section 1034 of title 10, United States Code, as amended by the Military Whistleblower Protection Act (governing disclosure to Congress by members of the military); section 2302(b)(8) of title 5, United States Code, as amended by the Whistleblower Protection Act (governing disclosures of illegality, waste, fraud, abuse or public health or safety threats); the Intelligence Identities Protection Act of 1982 (50 U.S.C. 421 et seq.) (governing disclosures that could expose confidential Government agents), and the statutes which protect against disclosure that may compromise the national security, including sections 641, 793, 794, 798, and 952 of title 18, United States Code, and section 4(b) of the Subversive Activities Act of 1950 (50 U.S.C. section 783(b)). The definitions, requirements, obligations, rights, sanctions and liabilities created by said Executive Order and listed statutes are incorporated into this agreement and are controlling": Provided, That notwithstanding the preceding paragraph, a nondisclosure policy form or agreement that is to be executed by a person connected with the conduct of an intelligence or intelligence-related activity, other than an employee or officer of the United States Government, may contain provisions appropriate to the particular activity for which such document is to be used. Such form or agreement shall, at a minimum, require that the person will not disclose any classified information received in the course of such activity unless specifically authorized to do so by the United States Government. Such nondisclosure forms must also make it clear that they do not bar disclosures to Congress or to an authorized official of an executive agency or the Department of Justice that are essential to reporting a substantial violation of law.

SEC. 633. (a) None of the funds appropriated by this or any other Act may be expended by any Federal Agency to procure any product or service that is subject to the provisions of Public Law 89–306 and that will be available under the procurement by the Administrator of General Services known as "FTS2000" unless—

(1) such product or service is procured by the Administrator of General Services as part of the procurement known as "FTS2000"; or

(2) that agency establishes to the satisfaction of the Administrator of General Services that—

(A) that agency's requirements for such procurement are unique and cannot be satisfied by property and service procured by the Administrator of General Services as part of the procurement known as "FTS2000"; and

(B) the agency procurement, pursuant to such delegation, would be cost-effective and would not adversely affect the cost-effectiveness of the FTS2000 procurement.

(b) After July 31, 1996, subsection (a) shall apply only if the Administrator of General Services has reported that the FTS2000 procurement is producing prices that allow the Government to satisfy its requirements for such procurement in the most cost-effective manner.

SEC. 634. (a) Section 4–607(18) of title 4 of the District of Columbia Code, is amended by inserting "the United States Secret Service Uniformed Division, the United States Secret Service Division," after "average pay of a member who was an officer or member of".

(b) Section 4–622 of title 4 of the District of Columbia Code, is amended—

(A) in subsection (b)(1)(A) by striking out "Of the basis upon which the annuity, relief, or retirement compensation being received by such former member at the time of death was computed" and inserting in lieu thereof "Of the adjusted average pay of such former member";

(B) in subsection (c)(1)(A)(ii), by striking out "The basis upon which the former member's annuity at the time of death was computed" and inserting in lieu thereof "The adjusted average pay of the former member"; and

(C) in subsection (c)(2)(B), by striking out the colon after "United States Secret Service Division" through clause (iii) and inserting in lieu thereof ", 75 percent of the adjusted average pay of the former member, divided by the number of eligible children; or".

This Act may be cited as the "Treasury, Postal Service, and General Government Appropriations Act, 1996".

Mr. SHELBY. Mr. President, today, along with my distinguished ranking member, Senator KERREY, we are bringing to the Senate the Senate Appropriations Committee recommendation on fiscal year 1996 appropriations for the Department of the Treasury,

U.S. Postal Service, the Executive Office of the President, and certain independent agencies.

Mr. President, the bill we are presenting today contains total funding of $23,134,570,000. This bill is $367,859,000 below the appropriations provided in fiscal year 1995. It is $42,716,000 below the House-passed bill and $1.775 billion below the President's request.

Of the totals in this bill, we are recommending $11,262,500,000 for new discretionary spending. The balance, $11,889,400,000 is for mandatory programs over which this committee has no control.

The $11,262,500,000 the committee proposes for domestic discretionary programs is $1.8 billion below the President's request. Let me repeat that, Mr. President. This bill is $1.8 billion below the President's fiscal year 1996 request.

Reaching this level has not been an easy task. We have had to make some very difficult decisions, while trying to ensure that funds are made available to carry out essential governmental functions.

Mr. President, this bill includes $10,466,900,000 for the Department of the Treasury. The Treasury Department has varied responsibilities, the bulk of which are directed to the revenues and expenditures of this Government and law enforcement functions.

This bill includes $121,908,000 for payment to the Postal Service fund for free mail for the blind, overseas voting, and payment to the Department of Labor for disability costs incurred by the old Post Office Department.

The President receives $149,915,000 to exercise the duties and responsibilities of the Executive Office of the President.

This bill also includes $573,872,000 for construction of new courthouses and Federal facilities. This funding provides the General Services Administration the ability to let construction contracts for buildings which construction can begin in fiscal year 1996. There is no funding, Mr. President, for projects where no construction can be accomplished in 1996.

There is $11.8 billion in mandatory payments through the Office of Personnel Management for annuitant and employee health disability and retirement, and life insurance benefits.

There is $390 million for other independent agencies.

Mr. President, this bill also proposes to terminate the Advisory Commission on Intergovernmental Relations, the Administrative Conference of the United States, and the Office of National Drug Control Policy.

There have been many who have said that these organizations should be funded and continued. Mr. President, as you well know, these are difficult times—times in which we are being asked to make very tough, very difficult decisions.

I am sure we will have the opportunity to discuss these proposals later on during the deliberations on the bill.

Mr. President, this subcommittee continues to be a strong supporter of law enforcement. We have done what we can to ensure that the law enforcement agencies funded in this bill have the resources to do the job that we ask them to do.

There has been considerable discussion since this bill was reported from the subcommittee about the level of funding for the Internal Revenue Service. This level of discussion has been second only to that concerning the decision of the committee to terminate the drug czar's office. I would like to take a few moments to describe how we arrived at the funding level for the IRS.

This bill includes $7,307,208,000 for the Internal Revenue Service. This total is $803 million below the President's request and $202 million below fiscal year 1995. There are those, including the President, who have said that you have to fund the IRS at the requested level to ensure that tax systems modernization continues and that funds owed to the Government are collected.

Mr. President, this morning, let me be perfectly clear on this. Based on the subcommittee's budget allocation, we have no other options. Many may disagree with the choices we have made, but we are working with limited resources. Funding for the IRS makes up 65 percent, Mr. President, of the discretionary spending in this bill. It is obvious if cuts are made, the IRS will have to have a significant percentage of the cuts.

The budget resolution narrative describes the commitment to tax systems modernization and the collection initiative begun last year. But the crosswalk provided by the Budget Committee on which the committee's allocation was determined does not match this language.

Mr. President, as I have indicated, this bill makes a number of people, including the President of the United States, possibly very uncomfortable. It is, however, the result of long, hard hours of work on the part of members and staff of this committee. I want to thank all of them for that effort. I believe it is workable and should be enacted.

I yield to Senator KERREY, the subcommittee's ranking member.

Mr. KERREY. First of all, I am very pleased to join the subcommittee chairman, Senator SHELBY, in bringing this bill to the floor. As the chairman pointed out, this bill is substantially below the requested and enacted levels for many programs and activities under the jurisdiction of the Treasury Department, the Executive Office of the President, and certain independent agencies.

The 602(b) allocation given the subcommittee constrained us from funding many worthy programs to the levels needed to maintain appropriate levels of service and activity.

Having said that, Mr. President, I want to take this opportunity to sincerely compliment the distinguished Senator from Alabama on the cooperative relationship he forged in the committee, working closely not just with myself but with all subcommittee members, to put together a fiscally responsible and very defensible bill, under the most difficult circumstances.

Chairman SHELBY has already touched on the major funding highlights of the bill, and I will not attempt to repeat at least most of the points he has already made.

Mr. President, what I would like to do at the outset is to cite a couple of stipulations that I have cited before, some of which may be slightly irrelevant to this particular piece of legislation, but it does have an impact upon what we are doing on the appropriations side.

Mr. President, one of the biggest reasons, if not the biggest reason, that we continually see pressure upon appropriated accounts is that we have yet to face the growing cost of all Federal entitlement programs. Particularly, Mr. President, the two biggest among them are health care entitlements—which the distinguished occupant of the chair has been working on a long time—as well as retirement.

These entitlement programs, as a percent of this year's budget, plus net interest, represent 66 percent of the entire Federal budget. That means the appropriated accounts are 34 percent.

Mr. President, the year that the distinguished chairman of our committee, Senator HATFIELD, came to the U.S. Senate, there was 30 percent of our budget allocated for entitlements and net interest, and 70 percent for all of our appropriated accounts. So the trend is shrinking domestic spending; that is to say, expenditures upon things we have decided, either for defense or for nondefense purposes, are important either for our current needs or for our future needs.

The budget resolution under which we operate and has allocated money to the subcommittee has us going to 25 percent appropriated accounts in the year 2002 and eventually, when the baby boom generation retires—75 million Americans who are in that baby boom generation start to retire in the year 2008—the appropriated accounts will go to zero.

Even at 25 percent, Mr. President, imagine what would happen this year if we were allocating that percent. We would be spending under the current level of revenue, by the way, a thing that has remained constant in this town. Except for World War II and a short period of time during the Vietnam war, the total level of taxation has remained at about 19 percent of the

gross domestic product. You see a flat line over the last 50 years.

With 19 percent revenue, Mr. President, and 25 percent of our budget allocated for domestic spending, we would have $400 billion this year—$400 billion. Mr. President, I think even our most antidefense Member would probably spend $250-or-so billion on defense. That means we would this year try to figure out what to do with $150 billion for our crime efforts, for our education efforts, for our research efforts, for NASA, for veterans. It would be impossible, Mr. President.

Now, I grew up in the 1950's and 1960's, and as a consequence of my parents being willing to pay cash for such things as the GI bill and the Interstate Highway System, I enjoyed an awful lot more prosperity and a much higher standard of living as a consequence of the investments which they made.

There is far more agreement in this body than sometimes meets the eye that there are certain things where we should pool our collective resources; we should take some of our taxpayers' money and make investments whether, again, it is education, transportation, or other sorts of things.

What entitlement growth does, Mr. President, is constantly press us to spend less and less and less. We are not saying that there are not things that cannot be cut. Indeed, there are some things we have cut out this year that I think even in times where if we were aiming to fix the cost of entitlement growth, we would probably zero in the amounts.

I will, during slack times in the debate, come back and try to highlight this particular problem because it is an extremely difficult problem, forcing us to deal both with health care and with retirement, two very controversial items, two very difficult items to deal with.

I believe, Mr. President, that time is not on our side, that compounding interest rates are working against us rather than for us, both at the national level and at the individual household level. I hope that Republicans and Democrats will, as we have attempted to do in this subcommittee allocation, come together for the good of the country and do the right thing.

Mr. President, this bill is not business as usual. We have eliminated some accounts, which may cause alarm to some Members. We have zeroed out the so-called drug czar's office; the Office of National Drug Control Policy, which, by the way, is $9.9 million; we have zeroed out the Administrative Conference of the United States; and we have zeroed out the Advisory Commission on Intergovernmental Relations.

Again, these actions are a direct consequence of shrinking domestic discretionary spending in the budget that this body adopted.

We have funded programs where a compelling case has been made for their continued existence:

The Counter-Drug Technology Assessment Center, the central counter-narcotics research and development office, has been continued in the Department of the Treasury and funded at a level of $20.5 million.

The High-Intensity Drug Trafficking Area Program, which provides funding to implement Federal, State, and local antidrug strategies, has been funded at a level of $110 million in the Department of the Treasury.

The Counsel of Economic Advisers, eliminated in the House bill, has been restored in this bill and funded at the requested level of $3.5 million.

While most programs have been reduced below enacted levels, we have included modest increases for Treasury law enforcement bureaus to sustain current levels of vigilance in border interdiction, Presidential protection and security, financial crimes, law enforcement training, and violent crime investigations.

We were not able to fully fund the President's 1996 request for counterterrorism. Mr. President, this request was transmitted to the Congress on July 17, 1 day prior to the 602(b) allocation meeting. We have, however, provided funding to continue those initiatives adopted in the fiscal year 1995 appropriations bill.

We have reduced funding for the new Federal building and courthouse construction by $415 million from the requested level. The chairman has earlier highlighted the criteria that he came up with. I fully support these criteria. I think it is completely defensible. It lets taxpayers know we are continuing to monitor these expenditures to make sure that we are not wasting their money.

Mr. President, the Internal Revenue Service budget, which in many ways, in most ways, took the biggest hit in our budget reduction, took a large hit because it makes up 63 percent of our discretionary spending. Funding in this bill for the IRS is $201 million below the enacted level, and $803 million below the President's request.

The $405 million compliance initiative funded in fiscal year 1995 has been zeroed out. This unquestionably will have a major impact on revenue over the next 5 years. The IRS will also have to reduce personnel levels by some 5,000 to 6,000 employees.

Tax systems modernization, the single most important initiative under way for bringing the U.S. tax revenue system up to date, will also have to be scaled back substantially. The bill contains $674 million for tax system modernization, which is $270 million less than the $944 million requested.

Since the IRS budget makes up such a large portion of our budget, and an even higher proportion of our outlays, the chairman and I had no other choice, given the allocation of money for this committee, but to make large reductions in the Internal Revenue Service. I know many are concerned about it, and both the chairman and I are concerned ourselves. We find no other choice than to make these kinds of reductions.

The IRS brings in $1.2 trillion in revenue a year—at a budget somewhere between $7 and $8 billion, which is less than 1 percent of the revenue it brings in. Common sense in the private sector would tell you if you had a business that brought in that kind of profit at that little cost, you would do everything you could to see the business had the money it needed to keep generating revenue. Instead, the IRS must compete side by side with every other Federal program without regard to the amount of revenue it brings in.

I happen to believe the principal problem here is the governance of the Internal Revenue Service. The incentives are all on the wrong side. Somehow we have to come to grips with an agency that does not have the incentives to do, I think, what most people, as you examine the Internal Revenue Service, say it ought to be doing, which is working to make customers happy.

Taxpayers are never going to be happy to pay taxes. At least, I think there are very few taxpayers who, on the 15th of April, are going to let out a whoopee and celebrate that great moment when they have to figure out what their taxes are for the year. Most taxpayers are not going to be terribly enthusiastic. But they ought to be able to get the information in order to pay the taxes. In spite of the money we have allocated, billions of dollars we have allocated in the past for tax system modernization, the General Accounting Office has evaluated their efforts as chaotic at best. They are making a good-faith effort, but the incentives simply are not there.

Again, the distinguished occupant of the chair, as well as the chairman of this committee, and I, all three of us understand the private sector. We have been in business prior to arriving here. We know if you have incentives to make a profit and incentives to take care of your customers rather than incentives to satisfy some congressional requirement, frankly, it is likely, if you have those kinds of incentives, that you are going to perform differently.

I feel strongly that the governance of the Internal Revenue Service is going to have to change and this agency is going to have to be given powerful private sector market incentives in order to be able to, not just deploy the technology, but do it in a way the taxpayers begin to say to us in coffee shops and townhall meetings, "I hate paying my taxes, I think they are too high," or, "I think they are not fair,"

or whatever, "but finally I am getting the information in a timely fashion. Finally I am getting the facts. Finally, when I am called in, the Internal Revenue Service is able to come up with my tax returns for the last 10 years instead of telling me, no, it will take months and months to come up with it, long periods of time to correlate my tax return with my Social Security number."

We had a tremendous problem this year with the earned-income tax credit. They were stripping out the refunds as a consequence of our concern about fraud—a legitimate concern. But any private sector business that has to pull this information manually, given the technology today and the information systems today, it seems to me, would not be in business very long. This agency needs a different kind of governance in order for us to be able to have taxpayers, the customers of this agency, begin to say that their needs are being taken care of.

Again, I compliment the subcommittee chairman, Senator SHELBY, on a good bill and commend him on moving to strike controversial general provisions that were in the House-passed bill. These are authorizing matters which I do not believe belong in this appropriation bill.

I also want to acknowledge the fine work of the staff and thank them for their help in permitting us to bring this bill to the floor. Chuck Parkinson, Hallie Hastert, Stewart Hall, John Libonati, Abbie Raikes, and others have been enormously helpful.

I urge the Members of this body to support this bill and the committee amendments.

Mr. SHELBY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

COMMITTEE AMENDMENT ON PAGE 76, BEGINNING ON LINE 10

Mr. NICKLES. Mr. President, what is the regular order?

The PRESIDING OFFICER. The clerk will report the committee amendment on page 76.

The assistant legislative clerk read as follows:

Committee amendment on page 76: Strike lines 10 through 17.

The PRESIDING OFFICER. There are now 3 hours equally divided.

Mr. NICKLES. Mr. President, for the information of our colleagues, if we use all 3 hours, that means we would have a rollcall vote at 12 o'clock, possibly 12:10, maybe possibly yield some time back. Hopefully that will be the case. I know many of our colleagues have inquired when the vote will be. So my guess will be around 12 o'clock.

Am I correct, Mr. President, that the time is equally divided?

The PRESIDING OFFICER. That is correct.

Mr. NICKLES. Mr. President, I will yield to the Senator from Wyoming 5 minutes—10 minutes?

Mr. THOMAS. Five minutes.

Mr. NICKLES. Five minutes.

Mr. THOMAS. Mr. President, I thank the Senator very much.

ENDLESS DISCUSSION AND NO RESOLUTION

Mr. THOMAS. Mr. President, ironically, I use this time to rise to suggest that it has been a little disappointing as to how we use our time, as a matter of fact, and I have been somewhat surprised at the lack of direction that we have had and that we continue to have in this body in terms of moving forward.

It seems to me that clearly was the message we heard in 1994, the message that we always hear as trustees of the people for whom we are here to do some things. And I am disappointed to see what I consider a change of attitude and a change of direction, where rather than to move aggressively forward to solve some issues and questions, we seem instead to be sliding our feet.

The opposition party—it has become that, in fact, an opposition party—should have some ideas and some suggestions and some directions instead of simply saying, "No, no, we are not going to do anything," and that is troublesome to me. I understand that. I understand that is the technique. I understand that is the system. But I do not think it is the right thing to do.

It seems to me that we do clearly have issues we have to confront. They are here. We have to find solutions to them. The idea that we cannot seem to resolve them is very disappointing to me. It seems that each time we start with some sort of a problem we must address, why, we rise and say, "I am for a balanced budget but," and never come to a resolution.

Mr. KERREY. Will the Senator yield?

Mr. THOMAS. Certainly.

Mr. KERREY. I do not understand, Mr. President. This time was reserved to discuss an amendment of the distinguished Senator from Oklahoma to strike language in fact that is authorized in language on an appropriations bill. The Senator from Wyoming is coming to the floor talking about us not having the right direction. I quite agree. I think the amendment itself is an indication why this body takes far too long to reach decisions. And I do not understand, if we are to be discussing the addition of authorizing language to an appropriations bill, why the Senator from Oklahoma has yielded time to the Senator from Wyoming to talk on a matter that seems not to be related to the amendment that he is offering.

Mr. NICKLES. Will the Senator from Wyoming yield?

Mr. THOMAS. Certainly.

Mr. NICKLES. I am happy to yield 5 minutes to my colleague from Wyoming. And just to respond to my friend from Nebraska, we have a 3-hour time agreement. Originally, I requested an hour equally divided. So if the Senator from Wyoming wishes to make a 5-minute speech on some of his thoughts about the inability of the Senate to move, I think that is entirely appropriate and we will have plenty of time to engage in debate on both sides of this amendment.

Mr. THOMAS. I thank the Senator. I will not take time.

I guess this is sort of an illustration of the frustration that I have, that I am willing to share. We went on and on and talked an hour about something yesterday, and we all sat and listened, we all sat and waited, we all sat for the whole evening, and we never came to any solution.

I have to tell you that is pretty darned frustrating in terms of time management and resource management and measuring results. I am not going to intrude in this. I think we should move forward, and I simply come to the floor to share some frustration. As a matter of fact, everyone with "Yes, I am for regulatory reform," comes from that side, but we never get it done. We always have "but, but we don't want to do it."

So the philosophy has become, "Let's don't do it; let's stop it; let's not have authorization for DOD, let's not have authorization for foreign affairs. Let's just say no. Let's threaten to veto everything that comes up."

I do not think that is a positive way to move, and I simply asked for some time to say it, and now I will stop. But I feel strongly about it. I think that we as trustees of people have some responsibility to make some effort to move. You may not like the result. That is what the system is about. That is why we vote to decide, not to stall, not to filibuster, not to amend to death, not to talk an hour on every topic. I guess I used to be a little frustrated with the rules in the House. I have come to think that was not a bad idea—some limit on the endless discussion and no resolution.

I appreciate the Senator's indulgence, and I simply share a little frustration in terms of us being a little more product oriented in terms of getting some things done in this place.

Mr. President, I yield back the time.

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS, 1996

The Senate resumed consideration of the bill.

COMMITTEE AMENDMENT ON PAGE 76, BEGINNING ON LINE 10

The PRESIDING OFFICER. Who yields time?

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, to get to the amendment that we have at hand, the House-passed Treasury, Postal appropriations bill had language that said no funds would be used to pay for abortions as a benefit for Federal employees. This was the policy of our country from 1984 to 1993. It was reversed by the Clinton administration.

I might mention it was reversed after heated discussion and debate in the Senate, in which it was decided by two votes. The side that prevailed in that vote, the Clinton administration, said that we should have taxpayers' funds used to subsidize abortion for Federal employees. Many of us fought to maintain that prohibition. We felt that Federal employees should have rights, should have benefits, but we did not think a benefit should be included for abortion to be subsidized, the majority of which is paid for by taxpayers. If they wanted to get an abortion, that is their right, they can purchase it. It costs about $250. But we did not think that taxpayers should have to subsidize it. And so that is the reason why we tried to maintain the prohibition which had been in effect from 1984 up until 1993.

The House reinstated that prohibition. The committee amendment struck that prohibition. The amendment we have right now says we disagree with the committee amendment. We would like to have that House language in there. We may want to modify it. I may want to modify it. The Senator from Maryland may want to modify it. But I would like to at least have that language in so we are going to say in effect that we will not use taxpayers' funds to pay for abortion for Federal employees.

My reason for yielding 5 minutes to my friend and colleague from Wyoming is it does not take that long to say it. It is pretty simple. It is something most everybody has voted on. I know it is a tough issue for a lot of people. It is a very serious issue. It is an issue because we are talking about life and death. It is an issue which says what should be in a fringe benefit package. You have a lot of things—all employees do. Most employees have health benefits, and they may have vacations and pensions and days off, and so on. Those are a package of benefits. Should that package of benefits include the right to an abortion? I do not think so, especially not subsidized by the taxpayer, especially not when we ask taxpayers right now to pay 72 percent of the cost, 60 percent of the premium. Should taxpayers have to pay for that?

Remember what we are talking about. We are not talking about dental exams or medical checkups. We are not talking about annual physicals. We are talking about an abortion. Should taxpayers have to pay for that? I do not think so. And that was the policy of this country for 10 years. It was reversed by the Clinton administration—I think a serious mistake, a serious mistake, again, one that deals with life.

Should people be able to go down and say, "Well, I want to get an abortion. It is covered by my insurance policy. I know it is paid for by the taxpayers, the majority of it is. I can get one. Here is my card." And so the person getting one maybe pays very little, if anything. That is a fringe benefit provided for by the Federal Government. I do not think abortion should be a fringe benefit provided for by the Government. It is really just about that simple.

It is serious. I respect my colleagues on the other side who have a difference of opinion. They feel very strongly. I happen to feel very strongly. A lot of people—I think a majority of Americans, if you ask them the question, do you support abortion? Maybe one way or another. But, do you support taxpayers paying for it? I think a strong majority of Americans say, "No. Don't use our dollars in that way. If somebody wants to get one, maybe that is their right. Let them spend their own money. But don't have it part of the Federal employee benefit package, which basically makes it a fringe benefit." That is what the issue is about.

I hope that my colleagues will concur and join me in supporting the House language.

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

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Ms. MIKULSKI. I believe the distinguished Senator from Nebraska has designated me as the controller of time on this amendment.

Mr. KERREY. That is correct, Mr. President.

Ms. MIKULSKI. Mr. President, I yield myself 10 minutes.

I rise to support the committee amendment and oppose any motion to table, and would like to thank the Senators—both the chairman of the subcommittee and the ranking member—for their wise position on this, which is essentially for the committee amendment to be silent on the issue of the nature of health care services. To deny women who work for the Government access to abortion or reproductive services through their health care plan is inconceivable to me and it is inconceivable to the Federal employees.

First, abortion is legal in this country. This motion to table, if adopted, denies women access to medical services that are not only legal in the United States of America, but are protected under the Constitution. We are all familiar that the Supreme Court has held for the past 20 years that it is a woman's fundamental right to decide whether to terminate a pregnancy. And that is left to a physician and to the pregnant woman. Currently Federal employees, like workers in the private sector, are permitted to chose a health care plan that covers a full range of reproductive health services, including abortion.

Now let me give you an analysis from the National Women's Law Center on this issue.

First, the Federal employees health benefit plan does not generally dictate what benefits must be offered. So there is no health plan that determines the medical procedures. The Federal employees health benefit coverage, which takes care of 9 million Federal employees, allows them to choose between 345 different health insurance packages branching from fee-for-service plans to HMO's. By and large, Federal law is nondirective about the scope of benefits which must be provided, leaving it to the individual plans to decide what benefits are offered to employees to determine what packages best suit their health needs. That is the way it is, and that is the way it should be. And that is the way it should continue to be.

In the fee-for-service plans, they have very general and nonspecific requirements. They must provide benefits for cost, associated with the care and general hospital and other health services of a catastrophic nature. They may provide hospitals, surgical, medical, ambulatory, prescription drugs, and so on. So there are a lot of "mays" in the fee for service.

In the HMO's, the requirements are more specific. Certain benefit categories must be covered: physician and outpatient, inpatient, x ray and emergency, and some mental health and substance abuse services. Preventive health services are allowed, like family planning, child care, and immunization.

Under the Federal employee benefit package, abortion is treated like any other health benefit. Plans are allowed but not required to provide abortion services. That means if you wish to have a plan that does not cover abortion, you may chose that plan. If you wish to have a plan that does cover abortion, you can have that plan. That is the way the law is, and that is the way we would hope it would continue to be.

Under current law, the FEHBP permits health insurance plans to treat abortion services as they do any other health benefit. They may, but are not required, to provide health insurance coverage. Plans, not Federal policymakers, determine the specific benefit package. A ban on abortion coverage under FEHBP is inconsistent with the treatment of other health services

which, under most health plans, are included or excluded according to the decision made by the plan and what you want. So that it is not the Congress that decides; it is the plan and the employees who decide.

I think we ought to leave it like that. I do not think Congress should treat abortion different than any other medical service that is medically necessary or medically appropriate. In 1993, I worked hard to ensure that the Federal employees health benefit package would permit, but not require, coverage for abortion. Barring abortion coverage for women working for the Federal Government and their families denies these individuals a health benefit that would be provided through the private sector. Over two-thirds of private health insurance plans and 70 percent of the HMO's readily cover abortion services.

Restricting a Federal employee's health plan is an arbitrary taking of a Federal earned benefit package. Like wages, health benefits are compensation for Federal workers. Abortion restriction effectively reduces the compensation package and treats it differently than any other health issue.

The legislative history shows that the supporters of abortion restriction have as their goal the elimination of the right to reproductive choice for all women. This is a turning back of the clock of reproductive health and women's fundamental right to reproductive choice. We have been here before. Previous debates on abortion and FEHBP reveal that the ultimate goal of the proponents of the abortion ban is to extinguish the legal right to abortion altogether.

I urge my colleagues to defeat the motion to table, and I will work, as the day proceeds, to ensure that.

Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator has 3 minutes of her 10 minutes left.

Ms. MIKULSKI. I will yield that back, reserving the right to call it back again under the time I may control.

I now turn to the ranking member of the subcommittee and yield him 5 minutes.

Mr. KERREY. Mr. President, let me alert colleagues of what is going on here. When the majority leader and the Democratic leader approached Senator SHELBY and me about our bill, the first question was what sort of time agreements were we going to be able to work out? We hoped we would work out an agreement on this particular matter. Unfortunately, that is now no longer the case. So, instead of having a single vote at noon with the possibility that all of the votes—I have been working with other Members who have amendments—possibly the votes being stacked Monday morning, unless we can work out an agreement here this morning, it is possible that we could be debating and having many other amendments on abortion here all the rest of the day.

Mr. President, this really is an issue about beliefs, very strongly held beliefs. If you believe that from the moment of conception you have a human being, you reach the conclusion that abortion should be made illegal.

I do not know what the distinguished Senator from Oklahoma—I actually have not been on the floor engaged in this particular debate before, but I have on many occasions in townhall meetings. It is a difficult issue. I reached the conclusion that from the moment of conception, it is not human life and that, indeed, a woman should be allowed to make a choice, to make her own decision.

I support legal abortion. I support the Supreme Court's decision in 1973. And thus, it seems to me, as long as it is the law of the land—it may be that those who have strongly held beliefs that abortion should be made illegal, maybe some day they will ban abortion in the United States and make it illegal—but as long as it is legal, it seems to me our employees, if we are going to have insurance as a fringe benefit, which we do—we have insurance we provide to employees of the United States of America, those men and women who wear our uniform in the Army, Navy, Air Force, Marine Corps, and Coast Guard, those men and women searching for a cure for cancer out at the National Institutes of Health. Turn on your television and see the space shuttle hooking up with the Mir spacecraft, those are Federal employees. When you see Federal employees doing various things for the people of the United States of America, they are working for us. And we provide health insurance as a fringe benefit.

They have a choice with that purchase whether or not they want to have a health insurance policy that provides abortion or, if it is an act of conscience, they can say, "No, I don't want my health insurance to provide that."

But it seems to me as long as a majority of the people of the United States of America say that abortion should be legal, that when we hire people we ought to provide them with fringe benefits and it allows them to purchase according to what they want to purchase, what their conscience says.

So it seems to me this is a very straightforward issue. It should not take hours and hours and hours and hours of debate. I think both sides of this debate agree with that. If you believe abortion should be legal, then our employees should be able to have health insurance as every other employee of the United States of America does. That is why both the chairman and I found the general provisions that were attached by the House of Representatives to be incorrect.

In addition, if you care about procedure, and the distinguished Senator from Wyoming earlier came to the floor talking about being frustrated because we do not get things done, one of the reasons we do not get things done is because we are always coming and attaching authorizing legislation to appropriations bills or ignoring the law of the land.

The President has already threatened to veto this bill for this reason, and many others, mostly having to do with the Internal Revenue Service. This bill is likely to be vetoed anyway.

I hope Members come down here to keep the House language out, as long as abortion is legal. As long as we are having to hire people to work for the United States of America, it seems to me that we should not be eliminating a legal procedure.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I appreciate the comments made by my friend, the Senator from Nebraska. I might mention, I believe Senator SHELBY is supporting this amendment, to make that clarification. I also would like to make a clarification that we are not passing authorizing language on an appropriations bill. The appropriations bill tells how we are going to spend money. This language basically says, "no money appropriated by this act should be able to pay for an abortion or administrative expenses in connection with any health plan under the Federal Employees Health Benefits Program which provides any benefits or coverage for abortions."

It deals with money. How are we going to spend money. Are we going to subsidize abortion or are we not? These are taxpayers' dollars. So this is not an authorization. This is how we are going to spend money. Are we going to fund abortions or are we not? We are going to have the same language, the same amendment, I might——

Mr. KERREY. Will the Senator yield to answer a question so when we debate this, I have an understanding? Like I said, this is the first time the Senator from Oklahoma and I have stood nose to nose on this. Does the Senator believe abortion should be illegal?

Mr. NICKLES. Let me respond, I do not think we should spend money for abortions. That is what this amendment is. We do not have to get into a general philosophical debate on abortion. I will be happy to talk about that at a different point.

My point is, I do not think funds should be used to subsidize abortion. I heard people say maybe it should be legal, maybe not legal; maybe we should overturn Roe versus Wade. We are not doing that.

The issue is, should we be spending funds to subsidize abortion, should it

be included in fringe benefits in health care plans. We are going to have this on HHS, Medicaid, the so-called Hyde language: Should we use Federal funds to pay for abortions for low-income people?

Everyone who has been around here—most of us pretty much are veterans, there are a few people who maybe have not voted on this in the House or Senate, not many—most of us have wrestled with this.

My colleague said something about time. I said I am happy to have an hour equally divided. This Senator is not trying to hold anything up.

But we do have a legitimate right on an appropriations bill to decide how money is spent. Some of us feel strongly that abortion is wrong. Some of us feel very strongly that abortion destroys the life of an innocent human being and we should not pay for it. We think it is wrong, and it is doubly wrong to subsidize it by U.S. taxpayers. In this case, the taxpayers pay 72 percent of it.

So we have a couple of legitimate debates. One I want to mention again. This is not authorizing language. This is not language coming in trying to overturn Roe versus Wade. It is not coming in trying to make abortion illegal. This is language saying we should not pay for it, it should not be a fringe benefit in health care plans, and that is legitimate for an appropriations bill. We are going to have it also on Labor-HHS under Medicaid.

We were going to get into this last year if we had President Clinton's health care bill, because he had a package of benefits. I told my colleagues before, when that comes up and he wants to have a defined package of benefits—and we know President and Mrs. Clinton wanted to have abortion as a defined benefit available to everybody in America—that many of us were going to object because we think abortion is wrong. We do not think it is just another medical procedure. It is not. It is not a cancer. It is not a sickness. It is destroying the life of an innocent human being. It is fatal. It is deadly. Many of us do not think we should be paying for it, certainly not subsidizing it and forcing taxpayers to subsidize it. So that is what this issue is about.

Mr. KERREY. Can I ask the Senator from Oklahoma, Mr. President, does the Senator from Oklahoma feel the same way about tax deductibility of insurance, that we should strike the right of business to deduct insurance if their employees have an offset against FICA? We are basically subsidizing abortions there, if that is the conclusion that he has reached about Federal employees.

Mr. President, I ask the Senator from Oklahoma if the same argument that he used against Federal employees being able to use insurance for, not to subsidize abortion, but to purchase a service that continues to be legal—it continues to be legal in the United States of America. I do not know, again, whether the Senator from Oklahoma feels that abortion should be made illegal, but until a majority of Americans feel abortion should be made illegal, it seems to me our employees should have the option to purchase insurance that contains it.

I ask the Senator, does he think tax deductibility should be eliminated against businesses offsetting FICA? That seems to me, as well, that would be a subsidy.

Mr. NICKLES. Mr. President, is the Senator's question on his time?

The PRESIDING OFFICER. It is on his time.

Mr. NICKLES. I will be happy to respond. Mr. President, there are a lot of things that are legal that we do not have to subsidize. There are a lot of things that may be a legitimate legal business expense——

Mr. KERREY. I will be happy to allow the Senator to answer on his time.

The PRESIDING OFFICER. The Senator from Oklahoma has the floor.

Mr. KERREY. I object. If the Senator is going to give an answer to my question, he can do it on my time. If it is going to be a speech on something else, it should be on his time.

The PRESIDING OFFICER. Senators should suspend. The answer is on the time of the Senator from Oklahoma. The question was on the time of the Senator from Nebraska.

Mr. NICKLES. I appreciate the Presiding Officer. Mr. President, I will be happy to respond and comment. There are a lot of things that are legal. There are a lot of things that are legal today that may be expensed by a business. That does not mean they should be expensed by the Government or subsidized by the Federal Government.

As Congress, we are kind of the chairman of the board for the public domain, for Federal employees, and it is our responsibility to decide what is a legitimate taxpayer expense. We have a responsibility of how to spend the money.

I will tell my colleague from Nebraska, I ran a corporation and I purchased health insurance for our employees. Abortion was not a benefit. Abortion was not and has not been—it is debatable now how prevalent it is in the private sector. That information is not readily available.

But we make the decision for public employees. We set public policy in Congress. We decide how the money is going to be spent.

There are a lot of things that are legal, but we do not subsidize all of them and certainly we should not. I think certainly we should not be subsidizing something that may be legal, but when it is involving destroying innocent human beings, I feel very strongly we should not subsidize it.

That is what this amendment is about. This amendment is not what is legal in other private health care plans, or about overturning Roe versus Wade. This is not anything about restructuring constitutional amendments or anything like that. This is how are we going to spend Federal money and whether we are going to use taxpayer money to subsidize the destruction of innocent human beings. I think that we should not. That is the purpose of this amendment.

Ms. MIKULSKI. Mr. President, I yield the Senator from Pennsylvania 10 minutes from our time. I believe he has 10 minutes from the Republican leader's time.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 10 minutes.

Mr. SPECTER. I thank my colleague. She accurately states I have 10 minutes under her control, and the distinguished majority leader has allocated his leadership time of 10 minutes today. I will utilize the time offered by the distinguished Senator from Maryland at the moment.

Mr. President, today's debate is about abortion. It is one aspect of what I would characterize as a systematic effort to eliminate the constitutional right of a woman to choose.

The distinguished Senator from Oklahoma and I came to this body after the 1980 elections, and our relationship has been an extraordinarily good one. I have great respect for the sincerity of his beliefs on this subject. My own views are that, as far as governmental action is concerned, it is the decision on a broad picture which has been made by the Supreme Court of the United States.

My own personal views are that I am very much opposed to abortion, and I have evidenced that with my support for funding for programs for abstinence, to try to perhaps eliminate or reduce, as much as possible, premarital sex, especially among young people, leading to so many teenage pregnancies, and my support for tax benefits for adoption carrying to term. When it comes to the role of the Federal Government, it is my view that it is not a matter of the Federal Government to control abortions.

Since it is a constitutional issue, I think the father of modern conservatives, Barry Goldwater, a former colleague in this body, articulated it best when he said, "We ought to keep the Government off our backs, out of our pocketbooks, and out of our bedrooms." If the real conservative view is that less government is the best government, then where is government more intrusive than in the bedroom?

The Supreme Court of the United States has made fundamental constitutional doctrine which governs the law of the land, and that is that a woman has the constitutional right to choose

an abortion. And it is not Roe versus Wade which was decided in 1973, but the more recent decision of Casey versus Planned Parenthood, decided in 1992, an opinion written by three Justices appointed by conservative Republican Presidents, three Justices who were Republicans—Justice David Souter, Justice Sandra Day O'Connor, and Justice Anthony Kennedy. I say they were Republicans. Perhaps they still are Republicans, but in the judicial robes it is a nonpolitical function. But I think it is important to articulate that proposition that what we have here is a 1992 decision, with Justices appointed by conservative Republicans.

Mr. President, there is more involved in the pending issue than to eliminate health care plans sponsored by the Federal Government from having abortion rights. This is a systematic effort to have a meltdown on women's rights, and it is a meltdown from A to Z, characterized by the chart which I have had prepared.

This chart is captioned "Dismantling a Woman's Right to Choice, from A to Z." It demonstrates a national campaign to dismantle a woman's right to choose when there has not been success in a constitutional amendment to ban abortion. There are these systematic efforts, A to Z. The one we are debating today comes under "M." It is a mandate that Federal employee's insurance exclude abortion coverage.

Bear in mind, Mr. President, that a substantial part of the premium payments are paid by the individuals involved. Why not allocate that to the abortion clinic? We have here starting with A, to amend the Constitution to abolish a woman's right to choose; B, ban Federal funding for abortions for women in Federal prisons; C, to cut off funding for family planning. And so it goes, all the way down to Z, which is to zero out the tax deduction for expenses incurred for pregnancy termination.

When you take up "B," Mr. President, it is banning the Federal funding for abortions in women's Federal prisons. What is a woman to do in a Federal prison when she is raped and wants an abortion? Under the provisions of the ban, there would be no abortion.

We debated very extensively on the floor of the U.S. Senate the confirmation of Dr. Henry Foster. I say to you, Mr. President, that was not one of the better days in the U.S. Senate. Here we had a man who was practically run out of town on a rail, denied confirmation because he had done one thing—performed medical procedures, abortions, which were authorized under the U.S. Constitution. It is very difficult to get good people to come to Washington to serve. And it is understandable that people do not want to come to this city when they are not given their day in court or on the floor of the U.S. Senate, because, simply stated, they perform medical procedures, abortions, permitted under the U.S. Constitution.

There are many matters which are now pending and which will be coming to the floor of this body when other bills are taken up. The issue on banning funding for women in prison will come up on one appropriations bill—on judiciary. I serve as chairman of the Appropriations Subcommittee on Labor, Health and Human Service, and education, and there are a number of issues which will come to the floor when that matter comes here.

I suggest to you, Mr. President, that when we take up these issues and have such extended debate on them, as we did on Foster before, as we are doing today on Federal health care programs, as we will be doing on many, many issues, that we could better be spending our time on wrestling with the very difficult issues which are in line with the mandate of the 1994 election. We were sent here—the 104th Congress was elected, Mr. President, to deal with fundamental issues. There was a revolution in November 1994, and the mandate at that time, as characterized by the Contract With America, was to return to core values—that is, to cut the Federal Government, to reduce spending, to reduce taxes, to have a strong national defense, and to have effective crime control.

There is not a word in the Contract With America about abortion. There is not a word in the Contract With America about any divisive social issue. We were in the process last night until midnight debating the defense authorization bill, which I suggest is a matter of overwhelming importance where we decide what our priorities should be on national defense. And that bill has been removed from consideration by the Senate, so that we can take up this issue today.

I suggest, Mr. President, that our time would be better spent if we had continued the debate on national defense. We have very vital issues as to how we are going to be allocating the Federal dollars. I am very much concerned, Mr. President, that we move on the glidepath to have a balanced budget by the year 2002. That is going to be a very difficult matter to decide and debate and to make the tough decisions on.

There is grave concern about Medicare. I think it is very important that we preserve the benefits for the senior citizens in the United States under Medicare. There are major considerations with what the House has done on limiting funding for education, for Head Start, for scholarship programs. I suggest that that is a major issue we ought to be taking up. We have important considerations on the National Institutes of Health as to what we are going to do on health issues, matters which I submit are really the core issues on the mandate for this Republican Congress from the voters in 1994.

What we are saying here is a basic constitutional issue which has been decided by the Supreme Court of the United States, and however you may slice it, however you may refine it, it is still a frontal attack, a virtual meltdown, on women's rights, from A to Z.

This particular one comes in at "M," the mandate that the Federal employees insurance should exclude abortion coverage.

It would be my hope, Mr. President, that we would reject the amendment which is offered by the distinguished Senator from Oklahoma, recognizing the sincerity of his views, but recognizing the law of the land in the United States is established by the Supreme Court of the United States. The Supreme Court of the United States has upheld the constitutional right of a woman to choose.

If that is to be overturned, under the provisions of our Constitution, we know how to do it with a two-thirds vote here and in the House and ratification by three-fourths of the States.

What we are seeing is a systematic meltdown, a systematic dismantling of a woman's right to choose. I reserve the balance of my time.

Ms. MIKULSKI. I yield 7 minutes to a member of the Appropriations Committee, Senator MURRAY.

Mrs. MURRAY. Mr. President, I rise today in opposition to the Senator from Oklahoma, and in support of civil servants' full access to reproductive health care, including abortion services.

The other body has recently taken a major step backward for women throughout this country. In its version of the fiscal year 1996 Treasury-Postal appropriations bill, the House denied all civil servants the right to chose health insurance programs that provide abortion services.

By reversing previous congressional action providing full access to reproductive health services for women in Government, the House has once again cast a long shadow over a woman's right to sovereignty over her own body. I believe this action was wrong, and I believe the U.S. Senate has a responsibility to take a much more thoughtful approach to making major policy shifts in the appropriations process.

Civil servants, like most Americans, obtain their health care services through their employment. Like me and many people I know, they personally pay a part of their insurance premiums, and their employer—in this case the Government—pays the balance. I believe these people, like most Americans, should be able to choose their own insurance, and use any of the services offered by that insurance.

Civil servants are no different than any other American; why should they be treated differently with their health insurance. They are regular people: The air traffic controller, the bridge

engineer, the customs agent, secretaries, maintenance workers. These are regular Americans, and probably our neighbors.

Mr. President, most private sector working people have ready access to reproductive health services. Major insurers such as Aetna, Kaiser Permanente, and Blue Cross/Blue Shield provide this coverage. I believe women who work in the Government should have the same choices in health coverage enjoyed by women in the private sector. Aside from being a matter of consumer choice, access to reproductive services is the law of the land, and should apply even within Government and without.

This is not a shocking or unreasonable position. There is broad support within the Federal work force—and more importantly, within the country—for consumer choice in health insurance. Every union representing Federal employees has endorsed access to abortion services in the Federal Employees Health Benefits Program.

There are 9 million Americans covered by the program, including at least 1.2 million women in the prime of their lives. These women rely on the program; it is their only source of health insurance protection. They, like every other woman in America, are entitled to make their own choices about whether and when to bear a child. As I said, that choice is a fundamental constitutional right.

The other body is once again trying to turn the health care choices of women in Government into a political football. This is micromanagement of the worse kind, and it is wrong. The U.S. Congress should not be making reproductive health choices for Federal workers. Nor should it discriminate against Federal workers who choose to have an abortion.

By denying women employees health coverage for abortion services, Congress would be doing just that. It would force female workers and their families to purchase separate insurance to cover reproductive health services. This would amount to a major wage reduction, and worse, it would be discriminatory.

Mr. President, the suggestion of the Senator from Oklahoma that we reject the committee amendments in this case is not a reasonable one for women, whether they are in Government or not. The action of the House represents a major policy shift.

Two years ago, the Congress voted to give civil servants the choice. Millions of workers and thousands of families have since made health care decisions based on that action. If we backtrack now, we will throw these families into uncertainty once again about their options for health care, family planning, and household finances. Haven't we gotten beyond this?

I have heard on this floor over and over again this year that people know best; that families know best; that Government needs to get out of people's lives. I could not agree more. Why is it then, that some in this Chamber continue to insist on injecting the Federal Government into people's personal lives, into their bedrooms, and into their health care decisions?

Let me conclude with a personal story. My personal awakening to the abortion issue came when I was in college. Back then—and it was not that long ago—abortion was not legal. A friend of mine was date-raped, and she became pregnant. Wracked with fear, she was forced to have a back-alley abortion. The damage done to her during that procedure has prevented her from ever having children. I want to ensure that no other woman in this country, including my own daughter, has that experience.

I urge my colleagues to support the committee amendments, and reject a motion to table.

I yield my time back to the Senator from Maryland.

Ms. MIKULSKI. Mr. President, how much time is remaining?

The PRESIDING OFFICER. The Senator from Maryland has 63 minutes, the Senator from Oklahoma has 73 minutes.

Ms. MIKULSKI. I yield 5 minutes to the Senator from Maine, Senator SNOWE, a colleague from the House. We welcome her on this.

Ms. SNOWE. I thank the Senator for yielding and appreciate her efforts here today because I think it is critically important to the issue that we are debating and will determine the Senate position.

I hope that we do not adopt the House position. I believe it is regrettable that we have even reached this point because, in effect, what we would be doing by accepting the House position is to further subjugate women's lives and the health of Federal employees to a new standard—a lower standard.

I agree with Senator SPECTER, who has said that it is about one ban after another, after another ban, in attempts to do legislatively what the courts have failed to do judiciously—to roll back, gut, water down, strip away a woman's right to choose.

Now, we will talk about the issue at hand today. It is about changing the status quo of health care for female Federal employees in America. It would not take them a step forward. It would take a giant step backward.

It would prohibit Federal employee health benefit plans from covering termination of pregnancies in all instances, even in cases of rape and incest. So a Federal employee could not make that determination, even in the cases of rape and incest.

It does not allow a female Federal employee to make that decision on her own—a personal, moral decision, and, yes, a very difficult one at that.

What we are saying here today is that the power of the purse of Congress ought to penalize a large number of women who work in the Federal Government from making their health care choices.

It is going to provide a serious financial handicap to a lot of families if they have to make that decision, because there are a number of Federal employees who are at or below the poverty level. Mr. President, 25 percent of the Federal employees earn less than $25,000, and 18,000 Federal employees are at or below the Federal poverty level.

Now we are saying, "We are sorry, you cannot make the choices about your health insurance."

We are telling 1.2 million women who work for the Federal Government that you cannot have the same access to health care choices as your counterparts in the private sector. There are 78 million women in the private sector who have those choices. The fact is, two-thirds of the private sector fee-for-service plans offer coverage for an array of reproductive choices; 70 percent of health maintenance organization plans provide reproductive choice coverage. Mr. President, 178 of the 345 health care plans that are offered to the Federal employees offer this choice. Four of the five major plans do so.

But now we are saying we are going to distinguish a woman's right to choice by virtue of whether they work in the private sector or for the Federal Government, and that is what is wrong. We are denying the women who work in the Federal Government their constitutionally protected right, that has been affirmed and reaffirmed by the highest court in the land. It is discriminatory, it is unfair, it is inequitable.

Federal health insurance is one form of compensation to Federal workers. They have earned that. They get their salary, they get their health care, and they get their pension coverage. It is not a Federal allowance. It is not a handout. It is something that they have earned and has been decided upon through an employment agreement. What is to distinguish from the fact that we say, "Well, Federal salaries are supported by taxpayers, therefore we are going to say that you cannot use your Federal salary to make your choices with respect to reproductive health care?" What is the difference? There is none.

Should we not allow Federal workers to make the decision about what kind of health insurance they have? I think so. I think they ought to be able to make that decision. Congress should not make that decision. The Federal Government should not make that decision for them. It is a personal decision. It is a constitutionally protected right decision.

So I hope we will not accept the House language, because it is regressive. It is penalizing to the 1.2 million women who work for the Federal Government. It is singling them out and denying them the same rights of freedom of choice as those women who work in the private sector.

I hope we reject the House position. We cannot underestimate the consequences of this decision. There is a lot at stake here. It is about the rights of Federal employees, not to mention the reproductive freedom of women who work for the Federal Government.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I appreciate the comments made by several of my colleagues and I appreciate their positions and the sincerity with which they hold those positions. But let me just make a couple of points.

I have heard a couple of our friends say, "If we adopt the House language we are denying a constitutional right." I disagree. There is nothing in the Constitution that says taxpayers have to pay for abortions. It is not in there. You can read the Constitution up and down, it is not in there. Taxpayers do not have to pay for abortions. There has not been a constitutional amendment that says, "Taxpayers, you have to pay for it." So we are not denying people their constitutional rights.

I have heard colleagues say, "It should be their personal decision." It should be their personal decision with their personal money, not with taxpayers' money. Sure, if they want to use their own money, they can use their own money. There is nothing in our language that says Federal employees cannot use their own money.

Abortions are not very expensive. They cost about $250. You can get them pretty quickly. You can be in and out in an hour or two. They can use their own money to do that. Most Federal employees are pretty well paid, they can probably afford that. We have to remember—how easy do we want to make this? Do you want to have it paid for by the Federal Government, the Federal Government paying 72 percent of this, the cost of health insurance, turning it into a fringe benefit?

I want Federal employees to have decent benefits as well. But I do not think that benefit should include the destruction of a human life and I do not think it should include taxpayers paying for it. If they want to make that decision with their own money, that should be their decision with their own money. It should not require Federal subsidies.

They should have that right—I guess under present law they have that right, or present interpretation of the Constitution they have that right. I am not arguing with that. Some people want to debate that. Maybe we will debate that another day.

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What we are arguing about is Federal taxpayers' money. We are not undoing the Constitution. I heard people mention financial handicap. It should not be easy to get an abortion. If you make this a standard fringe benefit item, readily available, Uncle Sam is picking up 72 percent of the cost, you get one in an hour or so—done. Maybe the out-of-pocket costs, I do not know, maybe it depends on the plan—maybe it is only $20 or $40. Just destroy a human life, be out tomorrow—be out in an hour. And we are destroying the life of a human being created in the image of God. I think that is a serious mistake and there is nothing in the Constitution that says taxpayers have to pay for it.

I reserve the remainder of my time.

Ms. MIKULSKI. I yield 5 minutes to the Senator from California, Senator BOXER.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. I thank my friend from Maryland for giving me this time and for her leadership on this issue. I hope the men and women of America are listening to this debate, are watching this debate. I hope they not only listen to the arguments but they pick up the tone of voice that is used—the tone of voice that is used when talking about the women of this country.

Women who are employed by the Federal Government work hard. They pay 28 percent of their health premiums out of their own pockets. And when it comes to their health care coverage they deserve the same health benefits as women who work in the private sector. They do not deserve to be lectured to by U.S. Senators who wish to make their own personal and private decisions for them.

Oh, $250 is not a lot for a certain Senator who says it is not a lot for him. That is fine. Maybe it is a lot more to someone else who may earn $18,000 a year here. By the way, we have people who earn $18,000 a year here. You just tell them $250 is not a lot of money. That is disrespectful. That it elitist. And what if there are complications and it costs $1,000? And what if there are serious complications in the situation and it costs $2,000? Senators who earn an awful lot of money have no right to treat other people that way.

Mr. President, this is the beginning of a debate that is going to last a long time, not only today but many days, because it is an attack on the rights of women. There are enough people in the Senate who understand that, and who are not going to allow it to go by because what is at stake here is a much larger vote than the vote that we face.

Those who push this know they cannot win a vote to criminalize abortion. That is what their agenda is. We know it. We have heard it. Constitutional amendments outlawing abortion, that is what the agenda is around here. Let us face it. But they cannot win the vote. They cannot win a vote to arrest doctors and nurses and put them in prison and arrest women and put them in prison, so they go after the women they have power over, the poor women, who are on Medicaid—those are the most powerless—and the Federal employees, who they have control over.

Mr. President, 1.5 million women, in this case Federal employees, and their dependents—yes, this matter deals with life. It deals with the lives of Federal employees. And to call health insurance a fringe benefit is another out-of-touch statement. I think the Senator from Maine addressed that very, very well.

Listen to the tone in the voice when talking about this issue as if it was an easy choice. Oh, women will go to doctors, just in and out, make this decision, make this choice, go home as if it was some easy choice. It always amazes me when men, in particular, who oppose the women's right to choose, talk about it like it was going to the store to pick out a dress. That is an insult to the women of this country. This is a painful choice. This is a choice made with one's God. This is a choice made with one's family. This is a choice made with one's physician. And to talk about it as if it was not even a problem or a difficult decision is an insult to the women of this country.

When we get to the welfare debate, I hope we hear the same compassion for little kids who are undernourished and impoverished as we do for fetuses in the early days of a pregnancy. There is a politician in the House who said those who are against the women's right to choose are all for your right to be born, but after that you are on your own.

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

Mrs. BOXER. May I have 2 additional minutes?

Ms. MIKULSKI. I yield 2 minutes with pleasure to the Senator from California.

Mrs. BOXER. Thank you very much.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. I hope we hear the same compassion we hear for a fetus in the first few days as we hear for those babies who need the WIC Program, who need the Head Start Program. But do you know what I am going to hear from the same people? "Give it to the States. Let the States decide." For those little kids—let the States decide. Let 50 different Governors and 50 legislatures decide. We do not have to decide here if a kid can go hungry. But we are going to decide, by God, what women, who happen to work for the Federal Government, do with their own bodies. Because $250 is not a problem. Well, it may not be a problem for some Senators, but it may be a problem for some Federal employees.

We cannot turn the clock back. We fixed this problem in 1993 and said at that time that women who are Federal employees will be treated like women all over the country. To go back on that would be wrong.

Is this a pattern that I see developing here, women who the Senate can control will be treated differently than women anywhere else? If it is women involved in an ethics case, they cannot come forward in a public forum. If it is women who are Federal employees, they cannot go forward and exercise their right to choose. What is next? What is next?

So I am proud to stand with my friend from Maryland, and I hope she prevails. And we will stay here as long as we have to until we win this battle.

I yield my time back.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Before I yield to the Senator from New Jersey, I note that the Senator from Oklahoma is both the manager of his time and now he is the Presiding Officer. Is it, therefore, the Senator from Oklahoma's—and I speak to him now as a Senator from Oklahoma——

The PRESIDING OFFICER. The Senator may proceed.

Ms. MIKULSKI. Are you temporarily in the chair so that Senator—I did not know if you were going to be there for a whole hour.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Ms. MIKULSKI. Mr. President, I yield to the Senator from New Jersey 10 minutes, and at the conclusion of his remarks, I will presume the Senator from Ohio will speak.

The PRESIDING OFFICER (Mr. NICKLES). The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I am proud to stand with my colleagues in the U.S. Senate, not coincidentally relatively new Members, who frankly, to use the expression, have changed the complexion of the place. And by that I do not mean the exterior. I do not mean the facial makeup. I am talking about integrity, I am talking about honesty, and I am talking about understanding that they represent the majority of people in this country. And, yet, there is a move afoot to tell them how to behave.

I rise in support of the committee amendment and to support a woman's right to choose.

Mr. President, the opponents of this committee amendment are trying to take away the right to choose from our Federal employees and their families.

The current Federal employees health system allows women to choose the type of health plan that suits them best. They can select a plan that includes abortion coverage. Or they can select a plan that does not. It is their choice. But the opponents of the committee amendment want to take away the right under a legitimate Federal health plan from getting abortion coverage.

The opponents of those rights for Federal employees, citizens, like any other, want to effectively take away the right to choose for 1.2 million women of reproductive age who rely on a Federal health plan for health coverage.

In doing so, they are proposing to discriminate against a certain class of women. They are saying that if you work for the private sector you can get complete reproductive health care coverage.

But if you work for the Federal Government you cannot. We forget that they have the same rights as any other citizen.

Mr. President, many people around here are deeply committed to eliminating a woman's right to choose. And we have already seen how far they will go to pursue their agenda.

In June of this year, a minority of Republicans blocked a vote on the nomination of Dr. Henry Foster to be Surgeon General. They brought down a man who had spent 38 years delivering health care to poor people, delivering babies by the thousands. But a minority defeated him just because he had performed other legal and obligatory procedures for his patients as long as it was not against his conscience, and obviously he was a forthright physician who knew that he had a responsibility first to the health and well-being of his patients.

Dr. Foster's nomination became the first of the Republican primaries way in advance of New Hampshire or Iowa. The cloture votes were not about Dr. Foster's qualifications; they were about who could pander most to groups who want to outlaw a woman's right to choose in this country—nothing more, nothing less.

Mr. President, about 70 percent of the American people believe a woman should have the right to choose what to do with her own body. Yet many in Congress listen only to a narrow segment of the population whose views are radically outside the mainstream. And they seem intent on imposing their views on everybody else.

In that light, I would just like to remind my colleagues of what the Republican Party platform says about a woman's right to choose.

It is pretty bold, and it was not a hidden statement: a "constitutional amendment to outlaw abortion." That is the mission.

The Republican Party platform calls for a constitutional amendment to take away a woman's right to choose.

A constitutional ban on abortion. In fact, that has been part of the Republican Party platform since 1980.

Not surprisingly, Mr. President, Republicans in Congress are trying to do just what their party platform states. They are trying to take away a woman's right to choose. And they are trying to do it by chipping away at that right, bit by bit.

Now, to be fair, Mr. President, I do want to say that not all members of the Republican Party share this view.

We heard from the distinguished Senators from Maine and Pennsylvania. But that group is a small minority. They are prochoice. They speak out. But they are not part of the party's leadership, and they are not driving the Republican agenda. They are shut out.

I want to let my colleagues know that I will join the fight against the Republican leadership and the antichoice legislative agenda at every turn. And I am delighted to be serving in the ranks of those who oppose taking away women's right to choose, led particularly by the distinguished Senator from Maryland and from California and others. Like the majority of Americans, I support the law and support Roe versus Wade and the constitutional right for American women to choose.

Mr. President, the women of this country should be concerned about their reproductive rights because the Republican Party can put its antichoice views into action in this Congress. They are not going to stop with Federal employees. They have bigger targets.

They plan to do everything in their power to restrict a woman's right to choose. We hear it all the time. They have a lot of antichoice legislation on the drawing board.

For example, they plan to reinstate the gag rule and its overseas equivalent, the Mexico City policy. These proposals seek to intrude on the doctor-patient relationship.

They also plan to restrict a woman's right to choose if that woman happens to serve overseas in the military.

Mind you, someone who has agreed to join our military to protect this country has an immediate disadvantage, if she chooses to have an abortion, or if a member of her family has, or if she is a victim of rape and is on Medicaid, or if she is poor and she lives in the District of Columbia, they plan to take away reproductive health care coverage for these women. It is, indeed, an extremist agenda. Why are they doing this? Because doing this is a means to an end. They want to outlaw abortion, and they are trying to do it step by step.

Mr. President, this is a buildup to ultimately passing a constitutional amendment to outlaw the right to choose, plain and simple.

The American women must also be afraid of what might happen in future Presidential elections. If another antichoice President is elected, women could face another barrage of Federal

regulations designed to restrict a woman's right to choose. They could face another round of antichoice nominees to the Supreme Court. And this would be a replay of what happened back in the Reagan-Bush administrations when we got Clarence Thomas and the infamous gag rule.

I hope it will not happen, Mr. President, but those of us who care about a woman's right to choose owe a need to keep the broader antichoice agenda in view. Whenever the right of some women to choose is threatened, whether they be Federal employees, rape victims, or residents of DC, every woman's rights are threatened, and that is why we need to fight back every step of the way.

I was astounded this week when I heard over the radio a distinguished Congressman, well-known senior Congressman from the State of Illinois, state on the radio that abortion is a worse crime than rape. He alone is making decisions as to what the law ought to say, not respecting what is in the Constitution, not respecting what is in the statutes but deciding—he deciding—that abortion is a crime worse than rape.

That is a foul thought. What is being said by so many of the proponents of individual rights, the ability to own guns, the ability to resist taxes, is that, yes, an individual's rights overcome all other things. Mr. President, we sometimes forget we are a nation of laws, not of men. That is the cardinal principle—laws that apply to everybody. And the law is firm that the woman, in the right of privacy, has a right to choose. But there are those same people who will insist that they know best what is best for a woman. I find it shocking that a legislator would suggest that abortion is a worse crime than rape.

Mr. President, I hope that my colleagues will support the committee and protect a woman's right to choose, fight hard to preserve that right because therein I think is the precursor of what happens to the rights of all of us across this country.

The greatness of our society is the application of law and the obedience to law.

I yield the floor.

Mr. DEWINE. Mr. President, the Senator from Oklahoma has yielded me as much time as I desire in debate.

Let me first thank the Presiding Officer for taking my place in the chair so I have the opportunity to discuss for a few minutes this very contentious and very emotional issue.

Let me start, if I could, by trying to put this debate today, though, in perspective because the issue that we are debating today is very narrow. It is very narrowly drawn. Each one of us has very strong feelings about the abortion issue. As I look around this Chamber and see my colleagues who are debating this issue today, I think each and every one of us at one time or the other has done this before and our positions are very well known. Whether it is in this body or the other body, we have all debated this.

The issue today is not the big picture issue about abortion. The issue today was defined very well by the Senator from Oklahoma. He has done it several times in the Chamber, but I wish to bring it back to that issue if I could. That issue is simply this: Should Federal tax dollars be used to subsidize abortion? That is it. That is what the issue is. Should Federal tax dollars be taken from citizens across this country, from every taxpayer, to subsidize abortions?

Let us try to put the debate in even more perspective. The abortion debate and the abortion issue is one of the most—no, it is not one of the most; it is the most—emotional, contentious, gut-wrenching debates in which this country engages. It is an issue that divides families. It is an issue that divides friends to the point where most of us, most of us will not on a casual basis even talk about it. I know of no issue in this country that is so emotional and that at the same time finds the American people so divided.

With that background, this not being just any ordinary issue where we are trying to decide whether we spend tax dollars or not, this is the moral issue, some people would argue, the moral issue of our day. On the one hand, the argument about freedom; on the other hand, the argument about life.

That is the perspective that I think we have to take and the historical background as we come to this debate today. I find no compelling reason for this Congress, for this Senate to say to every American taxpayer, "You have no choice; you have to subsidize abortion, and a portion of your income tax will be used, however small it might be, for something that you feel so emotional about and that you feel is such a matter of principle."

When I was growing up in Yellow Springs, OH, a few of the people I knew, or at least knew of, who felt so strongly about what we were doing in the late 1950's and early 1960's, under President Eisenhower and President Kennedy, about national defense, they did not want their taxes being used for national defense. I am sure people feel strongly about a lot of different issues, and we make a decision as a country that we do not let people pick and choose what taxes they pay. We should not.

My only point is this issue that we are talking about today is different. It is different because the country is so divided, and it is different because it is such an emotional issue and because people feel so very strongly about it. I see no compelling reason to take taxpayers' dollars to do this.

Mr. President, the argument has been made on this floor that if the Senator from Oklahoma prevails on this issue, we will be taking a right away from people. I think he has addressed that very well. That simply is not true. Health care plans do not pay for everything. No health care plan pays for everything. There are choices that are made. No one argues that the Federal Government has the legal obligation or the moral obligation or the constitutional obligation to provide for every medical service that someone might want or might need. So it is a question of choice. It is a question of choosing what, with finite tax dollars, we as a Congress believe, the trustees of the American people, that we should spend the taxpayers' dollars on. And so I will be voting with my friend and colleague from Oklahoma.

I will just close on this final note. In every poll that I have seen—better yet, in discussions I have had with people across the State of Ohio for the last 4 or 5 years—I have traveled Ohio, it seems like almost nonstop, for 5 years talking to thousands of people—it is clear to me that while people have various views about the big abortion issue, the overwhelming majority of the American people do not believe tax dollars should be used to fund abortion.

So when some of my colleagues make statements that would indicate that this action today, if we take this action, will be against the majority view of the American people, my answer to that is that it is simply not true. Every survey would indicate otherwise. Our own surveys that we all do as we campaign, as we travel and meet with people that we try to represent, would indicate otherwise.

It is a narrow issue. Let us keep our eye on the ball. Let us not allow this debate to get off into, as my friend and colleague a moment ago was talking about, a Republican agenda or Democrat agenda platform. This is a very, very narrow issue, to use tax dollars to fund abortion. Do you turn to people who feel very strongly about this issue and say, "We don't care what you think, we are still involuntarily taking money from your paycheck every week to do something that you find to be very offensive"? That is the issue. It is very narrow. It is very simple.

Mr. President, I thank you for your courtesy, and I yield back my time.

Ms. MIKULSKI. I yield 5 minutes to the Senator from California, Senator FEINSTEIN. She is very able on this issue.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. I thank the Chair and the Senator from Maryland.

Mr. President, I rise in support of the committee amendment and in opposition to the motion to table. The reason I do so is because it is my belief, Mr. President, that the motion to table is a

first step of a long march to remove a woman's right to choose. The Federal Employees Health Benefits Program is a network of plans that has been estimated to cover about 9 million people: Federal employees, retirees, and their dependents. About 44 percent of these people are women. According to estimates, about 1.2 million of these women are of reproductive age.

So, if we accept the motion to table, we are saying to 1.2 million women, no matter what your circumstances are, "We, the U.S. Senate, know more about your circumstances than you do, more about your circumstances than your doctor knows." If successful, I believe there will be another, and then another attack against a woman's right to choose. If those backing this motion have their way, politicians will once again govern a woman's reproductive system. And that will take us back to the days I remember well, the days of the back-alley abortion.

A woman, regardless of her religious beliefs, regardless of her doctor's advice, will be governed by the advice, the will, the law of the U.S. Senate. It does not seem to matter to people that women often find themselves confronted by a myriad of circumstances. It does not happen to matter that if a woman is raped leaving the Hart, the Russell, or the Dirksen Senate Office Building one night, we are prepared to say that she will be forced to carry a resulting pregnancy to term. No matter what the circumstance, no matter how terrible, no matter how traumatic, if she is a Federal employee, she is on her own if she needs an abortion.

It is ironic to me that many of the same legislators who opposed national health care reform because they claimed it interfered with a woman's ability or a person's ability to choose their own insurance coverage and health care are the same Members who will vote to deny Federal employees the ability to choose abortion coverage in their insurance plans.

These same people who have long advocated that Government get off the backs of the people are willing to put Government right back on when it comes to a very personal decision about abortion.

Our Constitution, the highest law of the land, provides privacy rights for a woman to be able to make this basic decision in consultation with a doctor, if she chooses, and basically to control her own reproductive system. And that is what this is really all about.

This motion would declare that Federal female employees are second-class citizens. Although women pay for a percentage of their health care plan, no health care plan would be able to contain reproductive planning services if the Federal Government pays any portion of that plan. She is a second-class citizen because, in fact, two-thirds of all private health care plans do cover abortion and 70 percent of all health maintenance organizations, what we call HMO's, do offer a full range of health care services, including abortion.

So if a woman works in the private sector, she has access to these plans. If the motion to table were successful, if a woman works for the Federal Government, she would not have access. As a result, she becomes a second-class citizen.

So I believe the issue here is very simple. It is the first step in the long march to say who controls a woman's reproductive system. Is it the Congress of the United States or is it the woman, her beliefs, and her doctor? I am one, frankly, who believes we have many more serious problems to tackle than this one. And I am one, frankly, who is really very shocked to see in this day and age when the state of the art of health insurance plans is to offer reproductive family planning services, including abortion, that the Congress of the United States is willing to take this choice away from 1.2 million women who happen to be Federal employees. And the fact of the matter is, the woman who is denied the right to choose is the lowest paid woman.

I thank the Chair. I yield the time——

The PRESIDING OFFICER (Mr. DEWINE). The time has expired.

Ms. MIKULSKI. Does the Senator from Oklahoma wish to speak?

Mr. NICKLES. Mr. President, I would be happy to make a few comments. I appreciate the statements that have been made by several of our colleagues. I appreciate the statement made by the Presiding Officer, which was right on target. The Presiding Officer, the Senator from Ohio, mentioned this is not about a woman's right to choose, not about a constitutional amendment. It is not about national platforms. It is about whether or not we are going to subsidize abortions by taxpayers.

Somebody mentioned polling. I believe the Senator from New Jersey said 70 percent of the people support the right to choose. Certainly that sounds good. If you ask people if they want their tax dollars being used to fund abortion, which is destroying an innocent human life, you will find well over 70 percent say no. And that is all this amendment does.

I have heard a couple of my colleagues now say, "This is the first attack leading to a constitutional amendment that will ban abortion." I have been in this body for—this is my 15th or 16th year. We have never voted on a constitutional amendment yet to outlaw abortion.

I think some people are trying to scare other people. We have had votes every single year on whether or not we are going to fund abortion with taxpayers' dollars—every single year. I am sure it will continue. Someone said, "Oh, I wish this issue would go away." Well, we have to make decisions on how we are to spend money. Are we going to use our taxpayer dollars in what way? Are we going to use it for fringe benefits that include abortions? We have to make a decision. Are we going to do it or not do it? That is public policy.

The Senator from New Jersey said we are a nation of laws. I agree with that. We have to make laws. It is interesting to note we have never made a law legalizing abortion. Congress has never passed a law. But we are not debating that today. That would be a good thing to debate.

I know many people in this body support such a law, the codification of Roe versus Wade. Roe versus Wade is a 1973 decision to legalize abortion. That was a Supreme Court decision. That was not an act of Congress.

I read the Constitution to say that Congress should pass all laws, article I. Congress should pass all laws. That was the law where basically Roe versus Wade was legalized. That is not what we are debating today. We are debating today the power of the purse, are we going to use taxpayers' dollars to subsidize abortion?

Taxpayers pay 72 percent of the cost of Federal employees health insurance. So we have a right to say what is and what is not in it. There are a lot of things not in Federal employees health insurance. We do not have free dental coverage. A lot of people would like to have it, but we do not have it. It may be available somewhere, but you do not have free dental coverage.

We have to make decisions. We have to make decisions of how we are going to spend the money. Taxpayers pay 72 percent of the cost of Federal employees health insurance. We have to decide, do we want to include abortion.

I heard two colleagues say this is just another medical procedure. I disagree. They may want it to cover abortion just like it would cover—I do not know—a tooth extraction or maybe anything else that is routine, but this is elective surgery. What does that elective surgery do? It destroys the life of an innocent unborn human being.

Mr. LAUTENBERG. Will the Senator yield for a question?

Mr. NICKLES. I will not at this point. I will in a moment. It destroys the life of an innocent human being. Now that is serious and it is serious when you say to the taxpayers, "We want you to pay for three-fourths of it."

So we are not debating constitutional amendments. We are not debating a woman's right to choose. We are not changing the law. We are debating how we are going to spend money. This amendment says no funds shall be used. We have that right.

As I say, we have debated this every single year on Health and Human Services because we deal with Medicaid.

That is a national health program for low-income people, and we debate that every year.

I might mention, we have had restrictions every year saying we should not use Federal money to subsidize abortion for low-income people. Now we are talking about Federal employees. Federal employees, for the most part, are not low income. Most Federal employees do OK. Maybe they are not all upper income, I did not say that, but the language we have right now, if we allowed it to go in, would basically say, "Well, we're going to have abortion as a fringe benefit for all Federal employees paid for by the taxpayers," 72 percent paid by the taxpayers, regardless of what their income level is.

Again, you have to go back to, what are we subsidizing? We are subsidizing the destruction of a human life. A lot of Americans feel very, very strongly that is not the way our tax dollars should be spent. They feel very strongly about it, and that is the reason why we have had these debates every year.

Some may say, "Well, this is delaying the process." This Senator has no desire to delay the process. I was happy to have this amendment considered under a 1-hour time limit equally divided. I think everybody in this body knows how they are going to vote.

But I just wanted to respond to some of my colleagues. I heard some of my colleagues say, "I support the right of the freedom of choice. I support the right to choose." I heard that. We are talking about a life. We are talking about an unborn child.

I want people to have the maximum degree of freedom and liberty imaginable. I want people to have the right to choose almost anything everywhere. This is America. This is the land of opportunity, the land of the free, but that does not include destroying other human beings. There are certain restrictions. That does not include hurting or harming someone else, and it certainly does not include having taxpayers pay for it.

So that is what this amendment is all about. We do not think that taxpayers should be forced to subsidize Federal employees in paying for abortions. That was the policy of our Nation, that was the law of the land from 1984 to 1993. President Clinton and his administration were successful in changing that 2 years ago. We had a good, heated debate then. We lost by two votes. Hopefully, we will not lose today.

I yield the floor.

Mr. LAUTENBERG. Mr. President, will the Senator yield for a question? It is common courtesy around here. If he chooses not——

Mr. NICKLES. I will be happy to yield on the Senator's time.

Mr. LAUTENBERG. I thank you. I yield the floor. This is an indication of where we are going here.

The PRESIDING OFFICER. Who yields time?

Ms. MIKULSKI. I yield 5 minutes to the patient Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 5 minutes.

Mr. WELLSTONE. Thank you, Mr. President. I thank the Senator from Maryland for her leadership on this very important issue.

Mr. President, I think there is a bitter irony to this debate. Last Congress, we were talking about the proposition that people in the country should have as good a health care coverage as Senators and Representatives have, and we talked about the Federal employees benefits plan as the model.

As a matter of fact, sometime this Congress I intend to make sure that we vote on that proposition, that we make a commitment to making sure that by the end of this Congress, we pass legislation that will provide the people we represent with as good a coverage as we have.

Now we have an amendment which essentially says that the Federal employees benefits package will not provide as good a coverage, as humane a coverage as many men and women have through their private health insurance plans.

With the Federal employees benefits plan, nobody is required to purchase a plan that covers abortion, but if that is the choice of a woman and her family, then she has the right to make that choice. That is the way it is with our private health insurance plans in this country.

So I rise to support the committee amendment and certainly will oppose any effort to table the committee amendment, because I think this is just an issue of discrimination. There is no reason why a public employee, a woman who is a public employee, should have any less the right to obtain coverage for abortion services than someone who is working in the private sector. That is what this issue is all about.

When I hear my colleague saying, "Well, someone who works for the Government, someone who is a public-sector employee, can purchase her own private plan," we make $130,000 a year, so I guess we can. I guess our spouses can. But guess what, a lot of people who work for the Government make $18,000 and $20,000 a year. It is not so easy for them to do so.

So (A) this is an issue of fairness; (B) it is a bitter irony to see us now move away from Federal employees benefits plan as a model and, instead, essentially try and say we are going to weaken this plan and deny many Government employees the same right, the same opportunity to purchase coverage that they would have in the private sector.

And then finally, Mr. President, let me just say that when I hear my colleague say we have not had a debate on a constitutional amendment to ban abortion, that is right, because the votes are not there. But I will tell you something, what this vote is all about, as my colleague from California said, it is a long march in that direction. This is a test vote. It is a test vote on Roe versus Wade. It is a test vote on choice. That is what this is all about. Nobody should have any illusions to the contrary.

I yield the rest of my time.

Mr. NICKLES addressed the Chair.

Ms. MIKULSKI. Did the Senator yield back his time?

Mr. WELLSTONE. That is correct, I yield back my time to the manager.

Mr. NICKLES. Mr. President, before my colleague from Minnesota leaves, I will just mention, I mentioned we have never had a vote or a debate on a constitutional amendment on banning abortion. I know that President Clinton, and many others, have sponsored legislation dealing with codification of Roe versus Wade. We never had that debate either. My point being, I do not want to get into a constitutional debate or anything else. I agree very strongly with my colleague and friend from New Jersey when he says we are a nation of laws and the legalization of abortion, which some people would like to do, the codification of Roe versus Wade, I think it is called the Freedom of Choice Act which has been introduced with a lot of cosponsors, that has never been debated either. Maybe at some point we will have to do that, but that is not what the debate is about today.

The debate today is whether or not we are going to have taxpayers' funds used to subsidize abortion.

That was just my point I wanted to make. My friend from Minnesota is a friend and he is energetic in these debates. Maybe at some point we will debate whether Congress should legalize abortion. I happen to think if it is going to be legal, it should be passed by Congress. That is the way I read the Constitution. It says Congress shall pass all laws.

But the issue today is not constitutional amendments, it is not platforms; it is not agendas, it is how we are going to spend our money. I hear the references to the private sector. I do not know how many colleagues came from the private sector, but I was in the private sector, and I helped put together health plans for our employees. Abortion was never a fringe benefit, and I did not think it should be. It is available in some plans in the private sector. That may be their option. But in the Federal Government, for Federal employees, we are kind of the board of directors or the management team, and we have to decide what the fringe benefits are. I personally do not think abortions should be paid for, three-fourths of which—or 72 percent of which—are

paid for by the taxpayers. I think that would be incorrect.

I reserve the remainder of my time.

Ms. MIKULSKI. How much time do I have left?

The PRESIDING OFFICER. The Senator from Maryland has 30 minutes, 21 seconds. The Senator from Oklahoma has 53 minutes.

Ms. MIKULSKI. Mr. President, I yield 5 minutes to the Senator from Vermont.

Mr. JEFFORDS. Mr. President, I rise today in support of the Appropriations Committee amendment. Before I get into my statement, I would like to contest the position of the Senator from Oklahoma that somehow we are dealing with taxpayer funds in the sense that we are in a position where we ought to control how they are utilized. We are talking here about compensation which is given to a woman for services rendered and to extend beyond what normally we would consider appropriate to call these funds that should be controlled by the Government. We are not talking here about Medicaid, which is an entirely different issue. We are talking here about compensation entitled to a woman for health benefits, and then saying we should, on top of that, have a regulation or prohibition as to how that money can be spent for health care.

The Federal policy here is to help provide health care for individuals, not to dictate how they spend their money. I raise that because to me it raises a dangerous proposition that somehow we can control the use of Federal employee compensation and whatever they do with it, and if we are moving in that direction, to say, my God, if they buy something, that is a violation of the law and their compensation should be denied.

This is not about Medicaid. We decided in committee not to include the House language in the benefit plan that would keep it from covering legal medical procedures, because we did not want to replace a doctor's advice and counsel with our own. We did not want to dictate how an employee's compensation must be used in that difficult but constitutionally protected area of abortion.

Currently, Federal employees can choose a health plan that covers a full range of reproductive services, including abortion. About half of the Federal employee health benefit plans offer the full range. These are mostly private plans they are purchasing, not Government plans.

Women employed by the Federal Government currently have a choice. They can have a policy with abortion coverage, or they can opt out of it. I think that is appropriate. The issue, I think, is more the other way. We should not force a woman to buy a policy that covers abortion if that is against their beliefs. That is why I think this option approach, which is used in Missouri and in other States, is an entirely appropriate way to go. Women with full coverage can consult their doctors and choose appropriate health care services without the intrusion of our own political beliefs.

In a national insurance market, abortion service is included in most plans. Nearly 70 percent of all health insurance plans offer such coverage. Why should we want to penalize a Federal employee by denying them and their families what is widely available to other employees with health care coverage?

We must remember that abortion is a legal medical procedure. It is constitutionally protected under the right to privacy. The choice of a woman, with the help and the advice of a family doctor, to have an abortion is an intensely difficult and personal one. I would not presume to decide who should and should not have access to a legal medical procedure.

Health care decisions are, by their nature, very sensitive and very personal. Reproductive health matters are even more so. Since I am not a doctor, I am not qualified to decide which health services are appropriate for someone else—even someone who is female and works for the Federal Government.

We are not considering which health services generally should be covered. This, rather, deals with a restriction on an employee's compensation as to their ability to do what we want them to do, and that is to provide themselves with health care. We will help provide that.

Medicaid would bring out this discussion of the Senator from Oklahoma. But there will be an appropriate forum for that issue. Why should we here single out Federal employees' reproductive health as an area for excessive governmental intrusion merely because they get some compensation to help them do what we want to do, to provide health care for themselves.

I am disturbed by the trend I am seeing. The House almost zeroed out funding for family planning services, an essential component of women's health. How can we say we care about out-of-wedlock births and teenage pregnancy when we eliminate family planning?

Now we are considering taking choice away from Federal employees as to how they may use their compensation, which we give them to purchase medical care. This is not an appropriate role of the Federal Government. We must allow Federal professionals to seek appropriate care without our interference.

I hope my colleagues will join me in voting against any amendment to remove the committee amendment.

The PRESIDING OFFICER. Who yields time?

Mr. NICKLES. I yield the Senator from Montana such time as he may require.

Mr. BURNS. Mr. President, I thank my friend for yielding.

I very seldom come to the floor and talk about this subject. But I see us going adrift here from the real purpose of this amendment. I would like to associate my comments with those of the junior Senator from Ohio.

I want to ask two or three questions here of my colleagues. I want them to answer them very simply and very honestly, yes or no. Does this amendment prevent anybody, and in particular, a Government employee, or any woman, the right to an abortion? I say, what right do we have as legislators to collect money from the citizens of this country who may have different views on this particular subject than to spend it on that? What right do we have? Show me. Show the American people where we deny a woman a right of abortion. Show me in this amendment where it changes the Constitution. I do not think there is a constitutional amendment in this piece of legislation.

Do we get our way or no way based on emotion rather than fact when we start looking at a piece of legislation? Let us stay with the issue as it is presented in this amendment. I see no constitutional change here. But what I have heard is inflammatory language that spurs or incites emotions to a very, very high level, and we lose where we are going.

I heard a while ago this thing about "second-class citizens." I do not think there is a second-class citizen in America today. I take offense to that. I think there are citizens; I think there are very hard-working, frugal people who contribute to their communities, to their schools, pay their taxes, pull the wagon, who have a very, very strong view on the subject of abortion. Have we denied their right? I have heard in private plans that abortion is part of the plan. That is true, but they spend their money on their plan.

They do not use taxpayers' dollars. They do not even in most cases use pretax dollars.

Let us not lose the real meat of this amendment. We do not need the language it takes to look at it objectively and really take a look that we as legislators and as a Government have or do not have a right to do.

We are not going to starve the children. We are not going to freeze the old people. What we are saying here is that we are using taxpayers' dollars, from people who have a very strong view on that, and they deserve a voice in this debate, also.

Let us look at what we are supposed to be talking about. Let us not get off on another subject of where we should or should not be.

I rise in support of the amendment of the Senator from Oklahoma, for those folks who may not have a voice in this body today on how we spend their tax

dollars, in fact, their hard-earned tax dollars.

I thank the Chair. I yield the floor.

Mr. NICKLES. Mr. President, I wish to thank my friend and colleague from Montana for his excellent statement. I yield such time as he may consume to the Senator from Iowa.

Mr. GRASSLEY. Mr. President, we have been hearing this morning much about the Constitution of the United States on the subject of abortion. Everything I have heard has been correct. The fact that the other side of this debate is right when they argue that the Supreme Court has upheld the right of a woman to have an abortion is only half of the constitutional law on this subject.

We, on this side, accept the fact of the constitutional law of the right of a woman to an abortion. We hope that the other side will accept another fact of constitutional law. That is, the Supreme Court's decision that taxpayers do not have to pay for abortions. This is also the law of the land. I am here to defend it.

Now, there is no question but in this case that we are talking about during this debate, the case of Federal employees' health insurance, there is no question that the taxpayers are subsidizing it. It is a fact of our budget that approximately 72 percent of the Federal employees' health care is paid for by their employer, the Federal Government.

I suppose the public is surprised that it is not 100 percent paid by the taxpayers, because I often hear that Federal employees have free health insurance. No, it is like any other employee; a certain percentage is paid by the employer and a certain percentage is paid by the employee. Here, it is 72 percent. A big portion of the premium is paid for by the taxpayers.

The taxpayers have an interest in this debate. The taxpayers have an interest in this debate because the Supreme Court defines the Constitution that when it comes to abortion, the taxpayers do not have to pay for abortions. The taxpayers can pay for abortions if the law says so, but there is not a constitutional right to have the taxpayers pay for your abortion.

Now, there are other unsubstantiated arguments during this debate, as well. Another is that most private plans provide for abortions. This just is not the case.

I checked with the Congressional Research Service on this because some people just keep bringing up and repeating this unproved point, a point I believe put out by the Guttmacher Institute. Of course, we all know, Mr. President, the objective of the Guttmacher Institute. That institute used to be directly associated with abortion providers. Now, it is only indirectly associated with them. We are supposed to believe what they tell us?

Mrs. BOXER. Will my friend yield for a question? Mr. President, will the Senator yield for a question?

Mr. GRASSLEY. The data on this point are not available.

The PRESIDING OFFICER. Does the Senator yield?

Mr. GRASSLEY. I do not yield.

According to the CRS on this point, the data is not available to determine if, in fact, most plans—private plans, that is—provide abortion services.

In fact, some of the largest insurers, like Mutual of Omaha, again, according to the CRS, do not provide these services.

To make it clear, the private sector is just not an issue here. We always hear the mantra that pro-lifers are somehow out of touch in trying to turn the clock back on women.

The problem with the other side is that they totally disregard the children that are involved in these difficult cases. I would like to move the clock forward for these children, not back, as the other side would like to do.

As far as being out of touch, the other side is out of touch with protecting these children, many of whom are going to be the future women of America.

Now, when you get past the gobbledygook of the proabortionists and you really look at this amendment, you will see it has nothing to do with the overall issue of abortion rights.

That is the part of the Constitution, I am saying, that is the law of the land. That is not the issue. The issue is the other Supreme Court decision that says the taxpayers do not have to pay for abortions. They do not have a constitutional right for the taxpayers to pay for abortions.

Mr. President, the issue is whether it should be a taxpayers' subsidy which, under law, we can do.

Those who want you and the taxpayers to fund these abortions are the ones who are really out of step. The vast majority of Americans, you see, do not support their taxpayers' money being used to pay for abortions. It is those who flaunt this majority that are out of touch with the American people.

I urge my colleagues to support the amendment of the Senator from Oklahoma and stand up for the taxpayers and the children of America.

Mr. NICKLES. Mr. President, I inquire how much time remains.

The PRESIDING OFFICER. The Senator from Oklahoma has 40 minutes, and the Senator from Maryland has 24 minutes.

Mr. NICKLES. I think if all time was used, the vote would occur at about 12:10.

The PRESIDING OFFICER. The Senator is correct.

Mr. NICKLES. I mentioned at the beginning we may wish to yield back some time. I hope we can do so. I notify my colleagues to plan on a vote, hopefully, shortly before 12 o'clock.

Ms. MIKULSKI. Mr. President, I believe I have how much time?

The PRESIDING OFFICER. The Senator from Maryland has 24 minutes.

Ms. MIKULSKI. We intend to use all of our time, Mr. President. I now yield, as part of that time, 5 minutes to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I would like to take a few moments, if I might, to speak in favor of the committee amendment which would continue to allow the Federal Employee Health Benefits Program [FEHBP] to offer coverage for abortion services. If this committee amendment is rejected, we will be responsible for creating a lower standard of health insurance coverage for our female employees than they could otherwise obtain in the private sector. We are creating, if this amendment is rejected, a lower standard for our female dependents than they would receive if they worked in the private sector. This seems to me to be terribly unfair.

In the United States, women have a constitutional right to choose an abortion. But that right is meaningless if women do not have access to abortions or cannot pay for the service. Many who are opposed to abortion rights know that. So they come up with ways to make it more and more difficult for women to obtain a safe, affordable abortion. Those attacking the coverage of abortion services, in my judgment, are engaging in that attempt.

Some Federal employees might not want to participate in a plan that provides for abortion coverage, and that is their right. The amendment before us does not require plans to offer abortions. It simply allows plans to include that service. In fact, of the 345 plans that are now offered under the Federal Employee Health Benefits Program, out of 345, 178—about half—offer some form of abortion coverage. So an employee who is opposed to abortion, he or she can choose one of the other plans, choose out of the 167 that do not offer abortion services.

There are approximately 1.2 million women of reproductive age who rely on the Federal Employee Health Benefits Program for their medical care; 1.2 million women. Who are these women? They are our colleagues here in the Senate and in the House of Representatives. They are here with us now on the Senate floor. They are our staff members, they are our daughters and our wives.

Right now, all of those women or their families pay for a portion of their health insurance. As happens in the private sector, the employer, in this case the Federal Government, shares part of that cost. The employee pays part; the Federal Government pays part. This is not any gift from the Federal Government. What the employee is

receiving is part of his or her compensation in the form of these health benefits.

I disagree that this is Federal money being used to pay for abortions. The Federal health benefits are part of a Federal employee's earnings. If we follow the opponents' argument, it follows the Federal employee could not use his or her earnings from the Federal Government to pay to purchase an abortion, since that would be, if you follow the logic they are applying here, a Federal subsidy.

Why could they not use their own money? Because the Federal Government pays their salary.

Opponents to the committee amendment contend that women can simply use their own money to purchase abortion services. This is not an inexpensive procedure. The average cost of an early abortion is $250 if performed in a clinic. In many places there are no such clinics. There is travel and there is the need to go into a hospital, and this can cost as much as $1,760.

I would also point out that one-quarter of all Federal employees earn less than $25,000, and nearly 18,000 Federal employees have incomes below or just slightly above the poverty level. So the cost for an abortion, for those women in particular, causes a definite hardship.

For 10 years, those working women could not buy health insurance that included abortion coverage. At the same time, in the private sector two-thirds of the fee-for-service plans and 70 percent of the health maintenance organizations provided abortion coverage—and still do. Two years ago we were able to get equal treatment for our colleagues, our staff members and family members by overturning the ban on abortion coverage. Today we are being asked to return to a two-tiered, unfair system which would deny abortion coverage to Federal employees and their families, even if they are raped or are victims of incest.

We are talking about a legal medical procedure, a right upheld by the Supreme Court on more than one occasion. It is time, in my judgment, we stop trying to find ways to get around this right by making the procedure shameful or inaccessible or too dangerous for a doctor to perform. I urge my colleagues to support the committee amendment and oppose the effort by Senator NICKLES.

I thank the Chair.

The PRESIDING OFFICER. Who yields time? The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I yield the Senator from New Hampshire as much time as he desires.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. SMITH. Mr. President, the issue of abortion is certainly one of the more controversial issues that we face. Many people are very uncomfortable talking about it. There is never a huge crowd here on the floor when this issue is brought up. Contrary to what some might assume, I respect those who feel differently than I do on this issue, however I think it is one of the great moral issues of the day, much as slavery was some 150 years ago in the United States of America. I rise in opposition to the pending committee amendment to H.R. 2020 and support the Senator from Oklahoma and commend him for what he is doing.

The pending committee amendment places before the Senate the issue of whether abortion on demand will continue to be covered as a routine—I emphasize routine—health benefit, under the Federal Employee Health Benefits Program. That is really the issue here, as to whether or not abortion, which in my opinion takes a human life, is a health benefit. The Federal Employee Health Benefits Program provides coverage for some 9 million Federal employees and their dependents. People who feel as I do, and others here, that it is the taking of a human life to commit an abortion, perform an abortion, do not want their tax dollars spent to take human life. I think that is not an unreasonable position for them to take. I think it is backed up in the polls, that even people who are in favor of abortion—many people who are in favor of abortion—do not support Federal funding. That is really the issue, Federal funding. Approximately 72 percent of the premiums for those plans, under the Federal Employee Health Benefits Program, are paid by the Federal Government, in other words the taxpayers of the United States of America.

Between 1984 and 1994, for some 10 years, the Congress prohibited Federal Employee Health Benefits Programs from paying for abortions. But, in 1993, Congress passed the fiscal year 1994 Treasury, Postal appropriations bill without, for the first time in 10 years, this longstanding restriction on abortion funding. No such restrictions were included in the fiscal 1995 Treasury, Postal appropriations bill either. But at present, health plans in the Federal Employee Health Benefits Program are permitted to cover, and most of them in fact do cover, abortion—not simply abortion, but more appropriately, abortion on demand, for whatever reason.

Thus, as we debate this issue on the Senate floor this morning, the American taxpayer—whoever he or she may be or wherever they may be located or whatever their position may be on this issue—is forced to pay for abortion on demand for Federal employees. That is the issue before us. That is why, for 10 years, it was not in there. And it is not a matter of what your position is on abortion, it is a matter of whether or not you believe the taxpayers, even those taxpayers who disagree with abortion, should have to pay for it for Federal employees.

Also, is it really health care? When I think of health care I think of helping someone. I think of, perhaps, saving someone's life or performing some medical service, which makes someone healthy again. The taking of a human life, in my opinion, is not healthy—certainly not healthy for the person whose life is taken. That, then, is the stark truth about the status quo. As we debate this issue today on the Senate floor, the American taxpayer, with all of the other things we have to pay for as we begin to downsize and balance the budget, is being forced—not asked, forced—to pay for abortion on demand for Federal employees.

How many abortions are we talking about? According to the Office of Personnel Management [OPM] in the calendar year 1980, the last year for which any authoritative figures were available, 17,000 elective abortions were paid for through the Federal employees health benefits plan. The estimated cost is about $9 million. So the figures for fiscal year 1994 are not, to the best of my knowledge—they may be; I do not have them if they are—but assuming that the figures before the 1984 ban have held steady after the ban was lifted in 1994, the American taxpayer we assume can be expected to be forced to pay through the Federal employees health benefits plan some 17,000 elective abortions for Federal employees in the current fiscal year at a cost of $9 million, plus some 15 years of inflation. So I think we can assume that this is going to cost far in excess of $9 million. We all know inflation has risen considerably since 1980.

So let us be very clear, Mr. President. The question before the Senate today, in spite of all of the hard feelings and comments that develop from this issue, is whether the American taxpayer is going to continue to be forced to pay for abortion on demand for all Federal employees for those who choose to have one.

As I indicated, about 72 percent of the premiums for the Federal employees health benefit plan are paid for by the Federal Government. So unless the committee amendment is defeated today, these taxpayer-funded Federal premium payments will continue to be used to pay for abortion on demand for Federal employees.

It is particularly I believe inappropriate for the Congress to allow these benefit programs in the Federal Government to cover abortion because, as I referred to this earlier, the overwhelming majority of abortions—there will be some dispute perhaps and some of my colleagues on the other side may dispute the numbers—but the overwhelming majority of abortions have nothing to do with saving a life or protecting the physical health of the mother.

In hearings before the Senate Judiciary Committee in 1981, Dr. Irving Kushner, who served in the Carter administration as Deputy Assistant Secretary for Population Affairs, testified before Congress about the reasons why women have abortions. Dr. Kushner estimated that only 2 percent of abortions are done for physical health reasons and that 98 percent are performed for life-style reasons.

Maybe those numbers are not exactly accurate. They could change. They could vary somewhat. But even if there are 5 to 10 percent, those numbers are still very striking.

Dr. Kushner testified that:

The data with which I am familiar would indicate that something on the order of 2 percent of all of the abortions in this country are done for some clinically identifiable entity, physical health problem, amniocentesis, and identified genetic disease.

The overwhelming majority of abortions in this country are performed on women who, for various reasons, do not wish to be pregnant at this time, Dr. Kushner testified.

There is a mixture of social, economic, educational, perhaps health, or whatever. But I am aware of no studies that indicate that anything has changed in that regard since Dr. Kushner's statement. If someone has some facts that would dispute that, I would certainly be happy to hear from my colleagues on that.

The overwhelming majority of the American people do not want their tax dollars spent to finance abortion on demand for Federal employees in this case. I base this contention on a series of national polls by well-respected polling organizations.

In March 1995, the CBS-New York Times poll found that 72 percent of Americans oppose the inclusion of abortion in a national health care plan. Only 23 percent were in favor. There is no reason why a greater number of Americans would favor such coverage from employees in the Federal Government with the taxpayers footing about 72 percent of the bill. Why would they?

Unless the committee amendment is defeated, H.R. 2020 will allow Federal tax dollars to be spent to pay for abortions for Federal employees on demand as a routine method of birth control. Will some women do it for health reasons? Yes, of course. But the bottom line is that, for the most part, a routine method of birth control—which many millions of Americans oppose abortion on demand as birth control—they will be forced to have their tax dollars pay for this.

According to a working poll in 1992, 84 percent of Americans are opposed to abortion as a method of birth control and only 13 percent favor such a radical position on the abortion question. It follows then that the American people do not want to pay for abortion on demand for Federal employees as a method of birth control.

Finally, Mr. President, in the area of polling, an ABC News-Washington Post poll taken in July 1992 said that 69 percent of Americans oppose the Federal funding of abortions.

Mr. President, regardless of where one stands on the issue of abortion as a moral or a legal matter, it is beyond dispute on this subject of debate today that millions of Americans believe that the unborn child is a human being from the moment of conception and that abortion is the wrongful taking of a human life.

A large number of Americans believe that forcing those millions of pro-life Americans to pay for abortion on demand with their tax dollars, as I believe, is a gross violation of their freedom of conscience. That is why I am here supporting the Senator from Oklahoma today.

I do not see the manager of the bill, Senator KERREY of Nebraska, here on the floor. I am sorry he is not because I was sitting on the floor a short time ago, and I heard the Senator from Nebraska, Senator KERREY, say that he has studied this issue a long time and he has concluded that human life does not begin at conception. I am paraphrasing, but essentially that is what he said.

I would just like to ask the Senator from Nebraska if he comes back to the floor, when did his life begin? When did the life of the Senator from Nebraska begin if it did not begin at the moment of conception?

I see the Senator here. And I am glad he came back on the floor. I was referring to the comments earlier when you said you had concluded that human life does not begin at conception, and I am very sincere and this is not to be confrontational. My honest question to you is, when did your life begin if it did not begin at conception, if you are not human the day after conception? Then how can you be here today as a reasonable, mature adult and a U.S. Senator contributing much to America—I might add, because your mother chose life? And I think that the argument that one makes is the intellectual argument that life does not begin at conception is just mindboggling to me.

If you want to take the position, which many do and many of my colleagues do on the other side of this issue, that because of a particular reason, whatever that reason might be, a woman has a right to do that, to take that life, that is another argument. But to say that life does not begin at conception, if it is not life by definition, there is no life to kill, there is nothing to take. So if there is no life, then there is nothing to destroy. So if your life does not begin at conception, I do not know when it does begin. I would be interested to know when the Senator from Nebraska thinks his life did begin.

Mr. KERREY. Does the Senator ask me a question and expect a response at this moment, Mr. President?

Mr. SMITH. I would be happy to yield to the Senator from Nebraska to respond.

Ms. MIKULSKI. Not on my time.

Mr. KERREY. Mr. President, I ask that I be allowed to talk 1 minute not charged to either side.

Mr. SMITH. I will take it off my time.

Mr. KERREY. Mr. President, this is the realm of prayer you are talking about—faith, a belief. That is what I was trying to say earlier. I was trying to give the Senator from New Hampshire and others who hold the belief that if a human being from the moment of conception ought to be protected and that it is murder, the Senator from New Hampshire wants abortion to be made illegal because he believes it is murder, I do not believe that it is a human being at the moment of conception, but only if you have that belief. That is your conclusion. He believes it is murder and, as a consequence, wants to ban abortion. But it is a realm of faith, a belief, if someone enters prayer when they make this decision. You do not reach it on the floor of the Senate.

Mr. SMITH. If it is not a human being, what is it, I say to the Senator from Nebraska? Could the Senator from Nebraska answer that question on my time for me?

Mr. KERREY. Mr. President, it may surprise the Senator from New Hampshire to know that he is not my God. As I indicated earlier, I make the decision.

Mr. SMITH. Mr. President, I reclaim my time.

Mr. KERREY. I want to answer the question. I want to answer that question.

Mr. SMITH. Regular order, Mr. President.

Mr. KERREY. The Senator from New Hampshire asked me to answer the question. I did not answer the question.

Mr. SMITH addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire has the floor.

Mr. KERREY. He yielded me time.

Mr. SMITH. I reclaim my time, Mr. President.

Mr. KERREY. He cannot withdraw that time.

Mr. SMITH. I reclaim my time.

Mr. KERREY. Now he does not like my answer in the midst of my answer.

Mr. SMITH. Regular order.

The PRESIDING OFFICER (Mr. FRIST). The Senate will be in order.

Mr. KERREY. He is trying to cut me off.

Mr. SMITH. I reclaim my time.

The PRESIDING OFFICER. The Senator from New Hampshire is able to claim the floor and has reclaimed the floor.

Mr. SMITH. The Senator from Nebraska went well over the line with the statement regarding God, and I refuse to yield any more time to him.

It would be glaringly inconsistent for those who support the Hyde amendment, which prohibits payments for abortion for Medicaid-eligible women, to vote in favor of Federal funding of abortion for Federal employees. In other words, Senators who support the Hyde amendment also should oppose coverage for abortion under the Federal employees health benefits plan. Supporters of the Hyde amendment, therefore, should vote to defeat the committee amendment.

The Supreme Court has upheld the constitutionality of the Hyde amendment, and the Court found that the Government can distinguish between abortion and other medical procedures. In upholding the Hyde amendment in 1980, the Court commented that abortion is inherently different from other medical procedures because no other procedure involves the purposeful termination of, if it is not a human life, a potential human life.

In closing, Mr. President, I wish to commend my friend, Senator NICKLES. It takes a lot of courage, knowing the abuse we all take on this issue, to be down here. We do not always have a crowd; not many Members are willing to come down and speak on the issue. God knows, we get enough heat for doing it.

I think the exchange that just took place between the Senator from Nebraska and myself is a very strong indication of the weakness of the argument that somehow after conception a precious life, a human being, is somehow not a human being.

There is no, absolutely no credibility for that argument. Anyone, any reasonable person, pro-life or pro-choice, proabortion or antiabortion, who heard the exchange between the Senator from Nebraska and myself, would understand that. If a person takes the position that a woman has the right to terminate, that is another argument. I do not happen to agree with it, but that is another argument. And there is some good reason I think to at least argue that there is some rationale to that decision. But to say that life does not begin at conception, there is a—when an embryo is formed and the sperm and egg unite and life begins, that is the beginning. You cannot be a 50-year-old man or a woman unless that act took place. That is just a biological fact. It has nothing to do with God.

I deeply resent the comment that the Senator from Nebraska made on the floor of this U.S. Senate, somehow saying that because I questioned his comments on this matter, somehow I would be believing myself to be God. I deeply resent it. I think it was entirely inappropriate. I would hope that he will apologize for it but, frankly, I do not expect it.

Mr. President, I think I have made the point. The majority of the American people do not support taxpayers paying for abortions, and I rest my case on that.

Mr. President, I yield back to the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. I yield 2 minutes to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, on this issue, I have always opposed Federal funding of abortion. I have also supported restrictions on Federal health insurance with respect to Federal employees and the funding of abortion but only with restrictions or exceptions for rape, incest, and life of the mother.

Mr. President, I will oppose Senator NICKLES' proposal for that reason. The proposal before us has no exception for rape and incest. Let me just personalize why that makes a huge difference.

Several years ago, my wife was attacked eight blocks from where we are this morning by a vicious rapist. He put a gun to her head and tried to get her into our car. My wife was able to evade that vicious rapist, somebody with a record as long as your arm of rape, brutal rape. And yet what we have before us this morning is an amendment that says if my wife had been raped, her health insurance could not pay for the appropriate medical treatment. She would be expected to carry that baby.

Mr. President, I am opposed to Federal funding for abortion, but I say to you anybody that would say to my wife, if she had been raped by that vicious criminal, that she ought to carry that baby, that is vicious and monstrous. How can anybody stand in this Chamber and say that somebody who is victimized ought to be victimized a second time? Something is radically wrong, I say to my friends, that anybody would say to my wife "You carry that baby to term."

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator Oklahoma.

Mr. NICKLES. Mr. President, before my colleague from North Dakota leaves, let me just try to tell my friend from North Dakota—who just left—that this Senator has tried, unsuccessfully now for 2 or 3 hours last night and for a little while this morning, to put in a rape and incest exception.

I tell my colleagues that the language I offered 2 years ago had a rape and incest exception and life of the mother. The unanimous-consent agreement does not allow that at this time. That is the reason I said we may well have to have another amendment, because that is my intention. That is my belief.

I happen to think that is where the votes are in this body. I do not know where the votes are exactly on this language right now on adopting the House language. The House language is exactly the policy we had from 1984 to 1993, exactly the same, and that is what they adopted in the House. They adopted it with a 50-vote margin.

I stated to my friends on both sides of this issue that I thought where the votes were was to ensure that no funds could be used for abortion by Federal employees from their health insurance unless it is necessary to save the life of the mother or in cases of rape and incest.

I have endeavored to try to introduce this amendment. I have been denied that opportunity. The way the unanimous consent is drafted, I am not able to do it at this point. That is the reason I said, well, if this amendment is not agreed to, we may have to do that later. This amendment would keep the House language and it is amendable. And I might mention it is amendable by this side; it is amendable by the other side.

I know my friend from Maryland—I have great respect for my friend from Maryland because we have worked on a lot of things over the years, and we have always done it very civilly—I know she has a different opinion, and I respect that. She has a right to offer an amendment. There is no time agreement, there is no limitation on amendments, and so if people have different ideas, they are certainly welcome to offer those.

I just wanted my friend from North Dakota to know, I wanted my friend from Maine, Senator SNOWE, to know—and I mentioned that to them; they were the only two people who mentioned rape and incest in the debate—I just wanted them to know it is my intention to try to accommodate that language. That is the same language that we had 2 years ago.

Mr. McCAIN. Will the Senator yield?

Mr. NICKLES. I will be happy to yield to my friend.

Mr. McCAIN. For a question.

Ms. MIKULSKI addressed the Chair.

Mr. McCAIN. I am asking a question of the Senator from Oklahoma. It is my understanding that——

Ms. MIKULSKI. I wanted to bring to the attention of the Senator from Arizona, it will be the first time today the Senator from Oklahoma or anyone on that side of the debate has agreed to answer a question.

Mr. McCAIN. May we have regular order?

The PRESIDING OFFICER. The Senator from Oklahoma has the floor and has a right to yield for a question.

Mr. McCAIN. I have a right to ask for regular order at any time under the parliamentary rules of the Senate. I am asking for regular order.

Mr. NICKLES. I will be happy to yield for a question.

Mr. McCAIN. Is it true that the Senator from Oklahoma had requested to modify this amendment?

Mr. NICKLES. The Senator is correct.

Mr. McCAIN. That he had sought to put in an exception for rape and incest?

Mr. NICKLES. The Senator is correct.

Mr. McCAIN. And the other side had refused to do that, to allow that?

Mr. NICKLES. The Senator is correct.

Mr. McCAIN. Well, there has been kind of a breakdown in comity around here for the last few days. I regret it. I think all of us regret it. It is not the standard behavior around here not to allow someone to modify an amendment that was clearly the intention of the author of the amendment.

Last night we saw this body break down in gridlock and not pass a bill that is important to national security. Now we find an amendment that clearly was intended to be another way, that the Senator from Oklahoma was not allowed to do so.

I would appeal to my colleagues to let us try to return to some kind of comity around here. We are entitled to opposing opinions, but why we would not allow the Senator from Oklahoma to modify his amendment, when that was clearly his intention, is beyond me. And I would urge the Senator from Maryland, if she is the one that is blocking this, to reconsider her position in not allowing the Senator from Oklahoma to modify his amendment because what will happen is we will then bring up another amendment, and which the Senator from Oklahoma is able to do.

So all we have done is waste the time of this body on a Saturday afternoon. So, I would ask the Senator from Oklahoma if perhaps he could make another request and appeal to comity and courtesy which is supposed to be the trademark of this body.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma has the floor.

Mr. NICKLES. I appreciate that. I appreciate the suggestion of my colleague and friend from Arizona.

I am prepared, if my colleagues—I happen to agree with his comments 100 percent. I will just mention it is unfortunate the situation that we are in right now. I would like to modify my amendment. The way that the unanimous-consent request is drafted, I could not do it unless I had unanimous consent. I have been contemplating trying to do it on the floor. I tried to do it in negotiation and have not been successful. I might try it now. I do not want to—I want to be very civil in this debate.

I want to offer the rape and incest amendment because I know my friend and colleague from North Dakota—it means a lot to him. And I know my friend from Maine, it means a lot to her. I know it means a lot to the Senator from Texas. I know it means a lot to the Senator from Georgia. So this is an important issue.

All Senators have rights. And I may be blocked from offering it at this particular point under the UC, but not blocked from offering it later. I understand that.

The Senator from Maryland has a couple of other ideas. She is not blocked from having those ideas expressed in the form of an amendment. I would like to do that now with my amendment. I know the Senator from Nebraska wants to pass the bill. I have said, if we can offer this amendment with the rape and incest, we are done, win or lose. We are finished. And hopefully that would be the end of the case.

If we lose by one or two votes—this vote is very close, very close. And it is also, as the Senator from New Hampshire said, very important because we are talking about thousands of lives. Then it will be necessary to come back and try again with a rape and incest amendment, which I have that right to do. And the Senator from Maryland has the right to offer her amendments as well.

Mr. President, I yield the floor.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. I would like to clarify the situation, as well as the innuendo that I am blocking this comity of adding rape and incest.

Mr. President, early yesterday I entered into a unanimous-consent time agreement that is pending before the U.S. Senate today as the framework for debate.

I negotiated that agreement in good faith with the Republican leader and his staff. The UC that I agreed to, which is the framework under which we are operating, I was told is what the Senator from Oklahoma wanted. I had a lot of my own amendments, but I recognized the fact that the Republican leader and the Democratic leader wanted to move this bill. So I agreed to a 3-hour debate, up or down or on a motion to table, on the House language which is limited to the life of the mother. That was my understanding.

At 10 after 10 last night the Senator from Oklahoma approached me and said, "That is not what I thought the agreement was." That was, I was told, the Senator from Oklahoma's desire to have that UC. So then to say I am not the one having comity, that is what happened to me at 10 last night.

So, Mr. President, I feel that my reputation and my sense of senatorial courtesy is being impugned in a very unfair and unfactual kind of way.

Now, I am prepared to move ahead with the conclusion of this debate, to vote under the UC, as we have agreed upon. And then the Senator from Oklahoma can offer his amendments. And quite frankly, I have two or three of my own. But that is the situation. That is how the situation was agreed upon.

I believe that my history in the Senate has been one of comity and senatorial courtesy on these agreements. And having said that, now I yield whatever time to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield myself 2½ minutes.

Mr. President, I have been listening to this debate about civility. One of the most arrogant positions that can be assumed by the Senate is to try to relegate what rights and what health benefits will be available to the Federal employees.

Here we find our colleagues on the other side entering the U.S. Senate, having the most comprehensive health care in the country, and then making decisions about how they believe it ought to be limited for women in our society. There are 345 plans out there. Any Federal employee can select whether she wants to have coverage or noncoverage. But oh, no. We are going to decide that even for those that want the coverage, they cannot have it. You have 78 million people who have coverage today under other kinds of programs that are basically being subsidized by the taxpayers under the deduction. Will the colleagues over there try to take those programs on? Absolutely not.

What they are saying, "You are a Federal employee. You work for the Government. You make a choice and decision, the 1.2 million women, to have this coverage. No. That is not good enough. We are going to tell you exactly what kind of health procedures you will have." That is arrogant. That is uncivil. That is wrong. And that is why the Senator from Maryland's position should be retained.

I yield back the balance of my time.

The PRESIDING OFFICER. Who yields time?

Ms. MIKULSKI. How much time remains?

The PRESIDING OFFICER. The Senator from Maryland has 12 minutes, 40 seconds. The Senator from Oklahoma, 14 minutes.

Ms. MIKULSKI. I yield 1 minute to the Senator from California, Senator BOXER.

Mrs. BOXER. I thank my friend.

My colleagues, it is important to know what we are doing here. This is an attempt, because colleagues do not want to raise the issue of whether abortion should be legal, because I think they know they cannot win that debate, to take the right to choose from women they have power over, in this case, women who happen to be Federal employees. And that is an abuse of their power, as the Senator from Massachusetts has so eloquently stated.

Make no mistake about it, the Nickles proposal is radical. No insurance can be used for abortion even in cases of rape or incest. And we had a colleague walk out of here because he told his personal grief about a situation that impacted his life.

Oh, they say, you can pay for it on your own. What if you cannot afford it? What if there are complications? Senator CHAFEE himself said in many cases it is $1,700. This is a radical, radical proposal. Please defeat it.

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

Who yields time?

Mr. NICKLES. I will tell my friend from Maryland, my friend from California, and my friend from North Dakota, I have an amendment I would like to send to the desk. It would add rape and incest to the underlying language. I think most people in this body would support this language. I will tell my colleagues from Maryland and California, if this is included we will only have one vote.

And so, Mr. President, I send this amendment to the desk.

Ms. MIKULSKI. I object.

Mrs. BOXER. I object to that.

The PRESIDING OFFICER. Consent would be required to offer an amendment.

Ms. MIKULSKI. I object.

The PRESIDING OFFICER. Objection has been heard.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. I will just make a couple comments. And I am not surprised that an objection was heard because I have been trying to get this done for the last many hours—2 or 3 hours last night, a couple hours today. My friend from Nebraska tells me as manager of the bill he thinks we can get it included. I want to tell my colleagues that want rape and incest in there, I think he is right. I think it will be included.

So I hope nobody votes "no" because rape and incest is not in there. If they do, we are going to give them a chance to vote for it later with it in there if this does not prevail.

I also want to comment on Senator MCCAIN's comment. We do need to return to a little more civil approach to legislating. Last night on the DOD bill, it was not pretty. This is not pretty the way we are legislating now. Senators have the right to offer amendments. We need to protect that right. I will protect the right of anybody on this side of the aisle to offer an amendment and anybody on that side of the aisle to offer an amendment and to modify their amendments. I think that is an important principle.

Mr. President, I yield the Senator from Texas 3 minutes.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I think maybe it is important to go back and talk about what the amendment is trying to do, since, obviously, we have criticisms of it. The Senator from Oklahoma has tried to fix it, but those who criticize it and object to it will not permit him to fix it. So I think people may have forgotten in all this what it is we are talking about. Let me go back and try very simply to define the issue.

The Federal Government pays on average 72 percent of the health care benefits of all the employees of the Federal Government. We have had a longstanding consensus in America that no matter where people stood on the issue of abortion—and obviously there are great differences in America; there are great differences in the Senate—that since many Americans felt very strongly in opposition to abortion on demand, and that since people do not pay taxes voluntarily in America, that we ought not to take their tax money to pay for abortion services in areas like insurance premiums for Federal employees. This is not a radical idea. This was the law of the land for a decade prior to Bill Clinton becoming President.

When Bill Clinton became President, that balance was overturned, and in 1993, for the first time in a decade, we took the taxpayers' money and used it to fund abortion on demand by paying for insurance premiums to fund abortion services.

What the House did in their bill is they went back and said that people can do whatever they want to do. People can spend their own money on abortions if they choose to, but they cannot take the Federal taxpayers' money—which after all, is collected by the Internal Revenue Service through the force of law from taxpayers who strongly oppose abortion—and use it to pay for abortion on demand. That is what the House did.

What the Senator from Oklahoma is trying to do is simply to go back to the consensus that existed for the decade prior to Bill Clinton becoming President, which simply says: Nothing in this amendment has anything to do with the right of a woman to have an abortion, but what it has everything to do with is the denial of taxpayer dollars to fund that abortion, except under a very stringent circumstance: The life of the mother being in danger.

The issue here is not the right of a person to have an abortion, it is whether or not the Government should use its power of coercion to collect money from taxpayers to pay for it. I believe the American people's answer to that question is "no." That is why we need to maintain the House-passed language, and I urge my colleagues to vote to do so.

The PRESIDING OFFICER. Who yields time?

Ms. MIKULSKI. Mr. President, I yield 2 minutes to the Senator from Wisconsin, Senator FEINGOLD.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I thank the Senator from Maryland.

I also rise in strong opposition to restricting Federal employees from receiving abortion services as part of their health care plan.

The Federal employee health benefits plan is a network of insurance plans that cover approximately 9 million Federal employees and their dependents and including, I remind my colleagues, all of our staff members.

The Federal employees health benefits plan is made up of more than 370 different health plans. When selecting coverage, women who work for the Federal Government now have a choice about whether they want to select a provider that does or does not perform abortions. In short, they can now choose a plan with coverage, a coverage that best fits their needs.

I note that one-quarter of all Federal employees earn less than $25,000. This is a fairly respectable wage in many parts of Wisconsin where the cost of living is lower. But for a single parent with dependent children in a higher-cost area in the country, it can be difficult to make ends meet on that amount of money. In fact, I am sorry to say that nearly 18,000 Federal employees have incomes hovering right around the Federal poverty level. So let us not make any mistake about who might be included in this category of people who are affected by this amendment.

There are those who may say this is a good amendment because of the opportunity for deficit reduction. In fact, this is grossly untrue. If Senators are truly interested in addressing the root causes of the escalation of health care costs, then we should publicly commit to address comprehensive health care reform.

Abortion is a deeply divisive issue and there are strongly held views on all sides, but that does not justify a political football game with the contents of a health care package.

So, Mr. President, I think this amendment should be soundly defeated. The right to choose should be about allowing women options. Prohibiting a woman from choosing health care coverage she feels is appropriate for her just because she works for you, Mr. President, or me or for the executive branch or for the Postal Service, in my view, is unjust.

So I hope my colleagues will join me and many other Senators who have spoken on this in rejecting this amendment.

I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Ms. MIKULSKI. The Senator from Indiana is here. I do not know whether

the Senator from Oklahoma wants to yield to him.

The PRESIDING OFFICER. The Senator from Oklahoma has 9 minutes, and the Senator from Maryland has 8 minutes 48 seconds.

Mr. NICKLES. Mr. President, I yield the Senator from Indiana 6 minutes.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. Mr. President, I will just state that over the last 48 hours, the Senator from Oklahoma has come to me and we have discussed in great detail as to whether or not this amendment should include the rape-incest exception. He agreed, I agreed, all of us agreed that it should. He was clearly under the impression that the unanimous-consent agreement allowed for the amendment to be offered to include the life of the mother, rape and incest. He was surprised, I was surprised, we were all surprised when that was not the case. He made a valiant effort last evening to include that.

So those who come to the floor and argue against this amendment because it does not include that simply have missed the point. We are attempting to try to do that and have been precluded from doing that.

Mr. President, on this issue of abortion, it is clear that we are a nation at conflict among ourselves and even within ourselves. The debate over abortion has divided the country; it has divided the Senate and the Senators who represent the people of this Nation.

We have come over time to believe, I think all of us, strongly in individual autonomy and personal privacy. At the same time, we have witnessed dramatic advances in medical science which shows us the complexity and the humanity of life before birth. This is a jarring inconsistency of our deepest beliefs about liberty and our strongest convictions about life, and it has led to an endless struggle, and even broken the peace, between neighbors.

Law, on the one hand, is set against medical science on the other. Political rights, on the one hand, are set against moral commitments. These are contradictions that we cannot escape but nor can we accept. These contradictions are seemingly contradictions that we cannot overcome.

But while our divisions are deep, there should not be division over forming a consensus on the issue that is before us. This ought to be a uniting issue rather than a dividing issue, that issue of whether or not we will force people to violate their conscience by financing a procedure that they find abhorrent. This should be the common ground in our abortion debate. Those who insist on using taxpayers' funds to subsidize abortion are not asking for choice. They are asking for involvement in complicity on the part of every single American, despite those Americans' deeply held religious beliefs and moral convictions.

The committee amendment before us today is a particularly clear example of taxpayer financed abortion. Seventy-two percent of the cost of Federal employees health benefits are paid directly with tax dollars—Federal tax dollars.

Through this program in the early eighties, taxpayers subsidized over 17,000 abortions at a cost of over $9 million. Now for a period of 10 years—nearly 10 years—from 1984 to 1993, Congress protected those taxpayers from contributing to elective abortions through the Federal employees health benefits plan. I believe that was a policy and a position solidly supported by a majority of the American people. During our debate over a national health benefits plan last year, only 23 percent said national health insurance policies should include coverage for abortion; 72 percent said those costs should be paid directly by the women who have the abortion. An ABC News/Washington Post poll in June 1992 indicated that 69 percent of the people surveyed felt the Government should not pay for abortions even for women who could not otherwise afford them.

Therefore, by striking the committee amendment, we simply seek to restore a principle on which I believe there is a strong majority consensus; that is, that we should not appropriate tax dollars and use them to violate the deepest moral convictions of millions of Americans.

Supporting the committee amendment means that abortion is not just a right but an entitlement. I understand why so many Americans are offended by being forced to support a procedure with their hard-earned tax dollars, because I also am offended. My concern is motivated by my own fundamental conviction that we are dealing with a fundamental matter of human rights, relating to the most helpless members of the human family.

Abortion on demand is a violation, I say, of our compassion and of our humanity. It causes us to retreat from the history of a nation—this Nation—whose story has been one of progress, however halting, sometimes won even through bloodshed, of extending inclusion in our ideals of human dignity and human rights. One by one, the powerless, the weakest, have been embraced and the American family has been extended. African-Americans, women, the handicapped, each discovered that America's promise, though delayed, was not denied.

Over time, our Nation has developed a system of rights, deeper and wider through the persistence of those who have passionately argued for inclusion, not exclusion. Some of the opponents of this amendment have been the most outstanding spokespersons, with the deepest conviction for the inclusion in the American family, for the extension of rights to those helpless individuals.

Abraham Lincoln wrote of our Founders:

> This was their majestic interpretation of the economy of the universe. This was their lofty, and wise, and noble understanding of the justice of the Creator to his creatures. . . . In their enlightened belief, nothing stamped with the divine image and likeness was sent into the world to be trodden on. They grasped not only the whole race of man then living, but they reached forward and seized upon the farthest posterity. They erected a beacon to guide their children, and their children's children and the countless myriads who should inhabit the Earth in other ages.

That beacon of light still shines in this world. It still lights the paths of nations whose freedom is new. It is my deepest concern that, at the very level where we reach the very weakest and helpless of Americans, we will shut out that light, that we will halt the progress of America's promise—the promise of inclusion, the promise of extension of rights to the most helpless in our society—and cast one class of the powerless into the darkness beyond our protection.

I believe that is the fundamental issue and why we should support the amendment.

The PRESIDING OFFICER. The Senator from Oklahoma has 1 minute 46 seconds. The Senator from Maryland has 8 minutes 48 seconds.

Ms. MIKULSKI. I yield to the Senator from Nebraska, the ranking minority floor manager, whatever time he needs.

Mr. KERREY. Mr. President, this is a position—as I indicated earlier in my opening remarks—that is made upon beliefs, made in prayer; it is a decision of faith, not a scientific, intellectual decision. Once it is made, it leads you to a conclusion about what our laws should be. If you conclude that this is a human being at the moment of conception, you want the law to say it is murder and it should be outlawed. If you believe, in a moment of faith—again, no science enables me to reach my conclusion—if you believe, in a moment of faith and prayer, that it is not, then you want to protect the right of a woman and her doctor to make that decision.

The dilemma here, Mr. President, is that we have employees who work for the Federal Government. Those who argue that health insurance is a source of payment and that it is a source of subsidy have a difficult time explaining what about the rest of their salary.

Even if this amendment passes—or this language of the House which does not allow health insurance to be used to pay for abortion under any circumstances, even if that language is held, you will still have Federal employees with their salaries making a purchase. Only if this body is willing to pass a law sending police out to make sure Federal employees do not use any of their money, could we not have the subsidy.

So, Mr. President, it is a very difficult dilemma. I hope my colleagues understand that there was a good-faith effort to try to negotiate. The Senator from Oklahoma agreed last night, and the Senator from Maryland did as well, to a time agreement in a UC. One of the things the Senator from Oklahoma wants to add is rape and incest. The House does not have that language in there. The House language makes no exceptions. The Senator from Oklahoma wants to add rape and incest. I would agree to that. However, the Senator from Maryland wants to add medically necessary and appropriate. I do not believe the Senator from Oklahoma wants to agree to that. So we have a difference of opinion as to how far we ought to go.

I believe strongly, Mr. President, that the best course is to recognize that, whether it is a salary or whether it is a Federal employee's health insurance, as a consequence of the Nation saying we are going to protect that right, has a right to use money that we have given them through tax dollars to make that decision.

So, Mr. President, I hope that the language of the House is stricken, as the Senator from Alabama and the Senator from Nebraska and myself have indicated that we believe ought to occur in this piece of legislation.

Ms. MIKULSKI. Mr. President, I yield 1 minute to the Senator from Montana.

Mr. BAUCUS. Mr. President, obviously, I will be brief with only 1 minute. Two very basic points here: One, I think it is important to remember the words of former Senator Barry Goldwater who essentially said, "We should get Government off our backs, out of our wallets, and out of our bedroom."

He truly saw the importance of Government not getting involved in individual, personal decisions such as this.

It is a very complex, emotional subject. Essentially, I believe, and I think most Americans believe, when it comes to abortion, it is a matter of individual conscience, a matter that a woman must decide for herself, according to the dictates of her conscience, religion, her God. It is a very personal choice that the Government should not be making for her.

Second, we should not allow women employees of the Federal Government to be treated as second-class citizens. That is what this amendment does. It says that if you are a woman and a Federal employee, you are treated in a second-class nature. That is wrong.

On those two bases, I strongly urge the defeat of the Nickles amendment.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I choose to use 3 minutes of the leader time which Senator DOLE yielded to me.

I have sought recognition again, after having spoken at some length earlier this morning, to respond to the very eloquent comments of the distinguished Senator from Indiana when he speaks about the moral concerns which he has about abortion. I can well understand that, and I have great respect for it.

As I had said earlier today, I am personally opposed to abortion but do not think that it is a matter for the Government. Most of this debate today has really centered—as Senator COATS has emphasized so eloquently—on the moral considerations which many hold very, very deeply, contrasted with what I think is the constitutional doctrine which has been established for the United States. That is not only Roe versus Wade in 1973; it is the more recent 1992 opinion in Casey versus Planned Parenthood, written by three Supreme Court Justices appointed by conservative Republican Presidents. That is the law of the land.

This is a constitutional right for a woman to choose. I submit, Mr. President, that this amendment today, this issue today, is really a part of the systematic effort to dismantle the woman's constitutional right to choose.

I shall not take time again to display the chart on the A to Z considerations. The point is made that what we have here is a taxpayers' issue and the focus is on what the subsidy is. There is Federal employment here, Mr. President, where the employees are giving valuable consideration, and part of what they are receiving is this health care plan. Part of the plan is being paid for by the employee themselves. The part which is being paid for by the Federal Government is really part of their consideration.

So we should put aside the business about taxpayers' dollars. It is really the consideration of the earning of the employees who ought to have the right to access abortion while that is the law of the land.

I reserve the balance of my time.

Ms. MOSELEY-BRAUN. Mr. President, in 1993, the U.S. Congress successfully restored full reproductive health benefits to Federal employees. We successfully overturned a gross overeach on the part of the Congress into the benefits package of Federal employees.

By moving to strike the committee amendment, Congress is again attempting to micromanage employee benefits in a way that exceeds its traditional role, and in a way that radically discriminates against women.

Congress has traditionally involved itself in issues of Federal pay. But until the Reagan administration, it had consistently left details related to the administration of employee benefits to the Office of Personnel Management.

This is as it should be. The majority of Americans believe that women should be able to privately choose whether or not an abortion is appropriate for her personal situation or circumstance without interference from Government. Two years ago, we removed the intrusion of politicians and politics from employee compensation issues.

I agree. I was sent to the U.S. Senate in part because the people of Illinois believe that women should be allowed to make their own private decisions. This amendment amounts to Government interference in the decisions of women who work for the Federal Government. In no way does Congress restrict health care benefits for men, Mr. President. Today we are not debating a proposal to limit a health care procedure that affects the reproductive health of men who work for the Federal Government. Congress does not mandate that men pay for a medically appropriate procedure from their own pocket. We are not talking about restricting medical coverage for vasectomies. We are not talking about restricting medical coverage for problems of the prostate. And we should not. Yet this amendment asks Congress to discriminate against women Federal employees by legislatively restricting their health benefits. This is simply wrong.

I am also very disturbed that women Federal employees are being denied a benefit that is available to most women who work in the private sector. It is common practice in the health insurance industry for private health care plans to cover complete reproductive services, including pregnancy, child birth, and abortion. Private health insurance companies do not play politics with women's health care. They allow women to choose the most appropriate health care for their situation and circumstance.

Approximately 9 million Federal employees, their dependents, and Federal retirees, depend on Federal benefits for their health insurance. Some 1.2 million women of reproductive age rely on the Federal Employees Health Benefits Program.

There are a number of insurance plans that Federal employees can choose from, offered by a number of different insurance companies. Currently, 178 of the Federal employees health benefit programs offer abortion coverage; 167 of them do not. Two-thirds of private sector health plans offer abortion services. Seventy percent of HMO's offer abortion coverage. If Congress strikes this committee amendment, Federal employees are being denied a benefit which is part of the majority of benefits packages available to non-Government employees.

Federal employees pay a portion of the cost of their benefits. A Federal employee who chooses the Blue Cross/Blue Shield Federal benefits package

pays $44.04 per month directly out of pocket. The balance of the premium is an earned benefit. It is compensation. Let me repeat that for those who may not understand—it is not a gift from the Federal Government to its employees; it is earned by those employees, including the women employees. Given that fact, to single out one procedure that her health care policy will not cover, even though she can choose a health plan that does not provide this procedure, is ridiculous.

The reality of this issue is that most women who choose to have an abortion do not use their insurance coverage to pay for it. Most women want to keep the matter private. But even if most women do not use these benefits, there is a matter of principle here. We should remove the intrusion of politicians and politics from employee compensation issues. The Congress should not be discriminating against women. The Congress should not be playing politics with women's lives. The women of Illinois sent me to the Senate to make sure that Congress stopped playing "Father Knows Best."

FEDERAL EMPLOYEES BENEFIT PROGRAM

Mr. KERRY. Failing in their efforts to make abortion illegal, opponents of abortion are trying to make it more deadly. The AMA has shown that funding restrictions that deter or delay women from seeking early abortions increase the likelihood that they will bear unwanted children, continue health-threatening pregnancies to term, or undergo abortion procedures that endanger their lives.

Abortion coverage is offered by over two-thirds of private health insurance plans, and just over half of the Federal Employee Health Benefits Plans [FEHBPs]. Approximately 1.2 million women of reproductive age rely on the FEHBP for their medical care. Because Congress has some measure of authority over the health benefits of this large pool of women, it is no surprise that abortion opponents target on it in their campaign to eliminate reproductive freedom.

A ban on abortion coverage under FEHBP is inconsistent with the treatment of all other health services, which are included or excluded by health plans based on decisions made by the plans themselves, not by Congress. It is, in this respect, an intrusion in to the operations of the free market about which some of the most ardent supporters of this amendment sermonize so often. Barring abortion coverage for women and families working for the Federal Government denies these individuals a benefit they would most likely be able to obtain if they worked for a private employer.

Let us not be confused by this debate into thinking that this ban would save money. In fact, it is an expensive ban, both financially—because the health risks associated with out-of-plan abortions and ordinary, let alone complicated, births are not slight—and socially. These dogged, exhaustive efforts to chip away at a woman's constitutional right to choose lead to anxiety about the security of all our precious, constitutionally guaranteed freedoms. This is an unnecessary, unfair attempt to attack a fundamental, legal right that applies only to women. I urge my colleagues to join me in defeating this ban, because it is ill-advised, expensive, inappropriate, and wrong.

Mr. BINGAMAN. Mr. President, I do not want to take much of the Senate's time this morning, but I would like to make a couple of points in support of the committee amendment to strike certain provisions of the House-passed bill.

If we must have this debate, I believe it is appropriate that we have it today, Saturday. Having the debate on the weekend will give more of the 1.2 million women who work for the Federal Government the opportunity to hear this discussion.

As women listen to this debate, I hope they are as disappointed and disgusted with it as I am. This debate strikes me as the height of arrogance.

We are here today, in our great benevolence, to decide which fundamental rights and what health benefits will be available to the 1.2 million women who work for the Federal Government.

Mr. President, there should not even be a debatable question here. Whether my colleagues on the other side like it or not, the Supreme Court has spoken: Women in this country have the fundamental right to choose.

The law, the right, and the privilege are clear. Whether or not to exercise that right is a personal decision. It is a decision to be made by a woman and her doctor, not by a group of 90 or so men in the U.S. Senate.

Mr. President, women who work for the Federal Government pay nearly 30 percent of their health care premiums. This is more than most workers in the private sector pay, when an employer agrees to provide health care coverage. In neither cases, the private or public sector, is health insurance coverage a fringe benefit. Health care coverage is part of an employee's compensation for service rendered to the employer; and for the past 2 years, Federal employees, like most workers in the private sector, have had the option of choosing a health plan that covers the full range of reproductive health services, including abortion.

Are we going to reverse this policy today? Are we going to issue a Draconian mandate, for purely political reasons, that applies only to women who work for the Postal Service, the Justice Department, the National Park Service, the Department of Labor, and the other branches of the Federal Government? For these women, are we in the Congress going to decide that reproductive health services includes every other health service except abortion? Are we saying to these women "Sure, come work for the Federal Government. Devote yourself to public service—but don't forget to check your constitutional rights at the door."

That is what this debate is about. It is an attempt by anti-choice Members of the Congress, who have failed to make abortion illegal, to make the fundamental right to choose more difficult, more expensive, and more dangerous.

Mr. President, this is just the first step. Today it is the hard working women in the Federal Government. Next, it will be Medicaid recipients and American Indian women who depend on the Indian Health Service for their health care. Then it will be family planning services, which millions of women and girls depend upon. And on and on and on, until the goal of the radical right is realized and abortion is made illegal.

This is the road we are on. Each Member of this body should understand this, and every woman in America should understand this.

Whose marching orders will we follow? Will we follow the extreme political agenda of the radical right, or will we follow the Constitution, as affirmed by the Supreme Court more than 20 years ago in Roe versus Wade? The Members of the House have already made their decision. They opted for the radical right. I sincerely hope my colleagues in the Senate have the wisdom to choose the other course.

We should uphold the Constitution. We should respect the fundamental right of every woman to reproductive choice, regardless of where she is employed, or whether she is employed. We should get out of this ridiculous business of micromanaging the lives and choices of hard-working Americans. And we should reject this blatant attempt to discriminate against women who work for the Federal Government and rob them of their fundamental right to choose.

Ms. MIKULSKI. Mr. President, we are now coming to the end of this debate. I know we have only a few minutes. This is where good and honorable people can differ.

I ask the Senator from Oklahoma, on his idea of modifying his rape and incest amendment, if he would also add the language medically necessary?

Mr. NICKLES. No, I do not think that is defined well. I think we know what rape and incest mean. Medically necessary is ambiguous. I would not agree.

Ms. MIKULSKI. Later this afternoon I will offer that amendment and we will be able to expound on what medically necessary means.

In conclusion, I believe Federal employees should have the same right to determine what is necessary or appropriate for their health as private sector employees do.

Restrictions ignore the reality of women's lives. Half of all pregnancies are unplanned, contraceptive failure, and also there are medically appropriate and medically necessary circumstances beyond rape and incest that necessitate the performance of an abortion.

This is not about what is decided for coverage under the Federal employees. It is not about what is decided but who decides. The principle of self-determination, freedom, reproductive, and otherwise, personal responsibility, the prohibitions on Federal health insurance benefits violates all these principles.

I urge my colleagues to defeat the amendment that is pending. I believe that the issue, the fundamental issue pending before us, is discrimination against women. Restrictions on primary health care services, especially where those restrictions apply only to services required by a particular group—in this case, women—does constitute discrimination. Striking the committee amendment would perpetuate discrimination against women employees and their dependents.

Let us be clear about what funding restrictions for Federal health insurance means. It means women who work for the Federal Government or receive health insurance benefits from the Federal Government will be denied the same coverage for abortion as they would receive if they worked in the private sector, that private sector that receives tax subsidies, which is really a form of taxpayers' money, to provide that private sector insurance.

It means that women receiving the health insurance coverage through the Federal Government will be denied their basic constitutional protection for obtaining an abortion under the health insurance program in which they pay for their services. It would mean that women who receive their health care coverage through the Federal Government will continue to get second-class health care.

Congress should not micromanage the Federal employees benefit programs, and the Congress of the United States should not put itself between a woman and her physician on what is determined to be medically necessary or medically appropriate.

I urge the defeat of the amendment.

The PRESIDING OFFICER. The Senator from Maryland has 1 minute remaining, and the Senator from Oklahoma has 1 minute.

Mr. NICKLES. Mr. President, I apologize. I had every intention of trying to yield back time. The debate became a little hotter and that was not to happen.

Let me clarify where we are. I heard my colleague from Maryland. She urged defeat of the amendment. We are voting on a committee amendment that struck the House language. I hope people will vote "no" because I want to preserve the House language. I want to preserve the House language that says no funds will be used for Federal employees to buy health insurance unless necessary to protect the life of the mother.

I also planned on amending that language and putting in a rape and incest exception. I would do it now but am prohibited from doing that. I understand that.

I want to protect the lives of unborn children. Senator SMITH from New Hampshire said before we had this prohibition, the Federal Government paid for 17,000 abortions. Then we placed a restriction in 1983. The language we are trying to insert now, or keep alive the House language, is the exact same language that this Government had for 10 years between 1984 and 1993. It saved thousands of lives. Somebody said, well, it saved money. My interest is not the money so much as I want to save lives. I do not want taxpayers to have to subsidize abortion as a fringe benefit.

Take a poll of people, ask any poll, Do you think taxpayers' funds should be used to subsidize abortion, and the answer is no. Overwhelmingly no. Not close, Mr. President, 70 to 80 percent.

I heard my colleague say, get the Government out of this area. I want the Government to quit financing abortions. That is the reason we have this amendment.

I urge my colleague to vote no on the committee amendment.

Ms. MIKULSKI. The Senator from Oklahoma then does not intend to table?

Mr. NICKLES. That is correct.

Ms. MIKULSKI. This is a straight up-or-down vote.

Mr. NICKLES. Mr. President, I ask for the yeas and nays on the committee amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Ms. MIKULSKI. For this portion of the debate on this amendment, we have concluded it. I thank all of my colleagues who spoke, the Democratic women of the Senate, I thank the good men of the Senate who support a woman's right to choose, and I thank our Republican colleagues, because I think we have demonstrated that our position is a bipartisan position and a right position.

Mr. KENNEDY. Would the Senator yield and explain the vote that we are about to have. There is some confusion.

Ms. MIKULSKI. A vote "aye" would be to retain the position of the Senator from Maryland and to retain the committee amendment that was offered by Senator SHELBY and is current law.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment which appears on page 76, lines 10 through 17. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. EXON, when his name was called, Present.

Mr. LOTT. I announce that the Senator from New Hampshire [Mr. GREGG], the Senator from Indiana [Mr. LUGAR], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from Alaska [Mr. STEVENS], are necessarily absent.

Mr. FORD. I announce that the Senator from Arkansas [Mr. BUMPERS], and the Senator from Arkansas [Mr. PRYOR], are necessarily absent.

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

The result was announced—yeas 52, nays 41, as follows:

[Rollcall Vote No. 369 Leg.]

YEAS—52

Akaka	Feinstein	Moseley-Braun
Baucus	Glenn	Moynihan
Bingaman	Graham	Murray
Boxer	Harkin	Nunn
Bradley	Hollings	Packwood
Brown	Hutchison	Pell
Bryan	Inouye	Robb
Byrd	Jeffords	Rockefeller
Campbell	Kassebaum	Roth
Chafee	Kennedy	Sarbanes
Cochran	Kerrey	Simon
Cohen	Kerry	Simpson
Conrad	Kohl	Snowe
Daschle	Lautenberg	Specter
Dodd	Leahy	Thompson
Domenici	Levin	Wellstone
Dorgan	Lieberman	
Feingold	Mikulski	

NAYS—41

Abraham	Ford	Lott
Ashcroft	Frist	Mack
Bennett	Gorton	McCain
Biden	Gramm	McConnell
Bond	Grams	Nickles
Breaux	Grassley	Pressler
Burns	Hatch	Reid
Coats	Hatfield	Santorum
Coverdell	Heflin	Shelby
Craig	Helms	Smith
D'Amato	Inhofe	Thomas
DeWine	Johnston	Thurmond
Dole	Kempthorne	Warner
Faircloth	Kyl	

ANSWERED "PRESENT"—1

Exon

NOT VOTING—6

Bumpers	Lugar	Pryor
Gregg	Murkowski	Stevens

So the committee amendment on page 76, lines 10 through 17 was agreed to.

Ms. MIKULSKI. Mr. President, I move to reconsider the vote.

Mrs. BOXER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. NICKLES addressed the Chair.

COMMITTEE AMENDMENT ON PAGE 2, BEGINNING ON LINE 14

The PRESIDING OFFICER. The pending question is now the first committee amendment which appears on page 2, line 14 of the bill.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

AMENDMENT NO. 2153, TO COMMITTEE AMENDMENT ON PAGE 2, LINE 14

(Purpose: Prohibit taxpayer funding for abortions covered by the Federal Employee Health Benefit Program)

Mr. NICKLES. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Oklahoma [Mr. NICKLES] proposes an amendment numbered 2153.

Mr. NICKLES. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the end of the Committee amendment on Page 2, Line 14, add the following:

SEC. . No funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverage for abortions.

SEC. . The provision of section shall not apply where the life of the mother would be endangered if the fetus were carried to term, or that the pregnancy is the result of an act of rape or incest.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, may we have order?

Mr. KERREY. Mr. President, regular order.

What is the pending business?

The PRESIDING OFFICER. The Nickles amendment, which the clerk has reported.

Mr. KERREY. Is not the committee amendment the pending business?

The PRESIDING OFFICER. The committee amendment is pending, and the Senator from Oklahoma has offered an amendment.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma has offered a second-degree amendment.

The Senator from Oklahoma.

Ms. MIKULSKI. Mr. President, the Senate is not in order.

I would like to hear the Senator from Oklahoma. We talk a lot about courtesy. If Senators will take their seats so we can hear what the Senator from Oklahoma says.

The PRESIDING OFFICER. The Senate will be in order.

Mr. NICKLES. Mr. President, during the debate, I mentioned my interest and desire to include language that would be like the language that we voted on 2 years ago that would really be like the so-called Hyde language, which says no money shall be used for abortion except that necessary to save the life of the mother or in cases of rape and incest.

That is the language I have now submitted. That is the language I wanted to get into the bill last night and earlier today and was unsuccessful.

I know my colleague from Maryland has a different idea. She would like to have her amendment. I just mention that we have debated this for a long time. I am happy to vote up or down on my amendment and happy to vote up or down on the amendment of the Senator from Maryland. I do not know that we need any time. I think every person in this body knows exactly how they are going to vote on my amendment. They may or may not know how they will vote on the amendment of the Senator from Maryland. But it is not my intention or desire, I tell my friend from Nebraska, to delay this bill any longer. I was willing to agree to an hour time agreement on the first amendment. I am happy to enter into a very short time agreement on this amendment, on the amendment of the Senator from Maryland. If the Senator from Maryland has two amendments, that is the Senator's right and prerogative. And I am happy to enter into time agreements and see where the votes are.

Mr. KERREY. As I understand, the action that we just took was that the subcommittee in our legislation said we struck the general provisions that were offered by the House.

Mr. NICKLES. That is correct.

Mr. KERREY. The House offered a restriction on the use of health insurance saying health insurance could not be used to pay for abortions except if the life of the mother was in danger.

Mr. NICKLES. The Senator is correct.

Mr. KERREY. The action we took struck those general provisions. You are now saying you want to amend and require that it only be in the case of the life of the mother being in danger and rape and incest?

Mr. NICKLES. The Senator is correct.

Mr. KERREY. You would not agree to allow "medically necessary and appropriate" be added?

Mr. NICKLES. That is not in my language. The Senator is correct.

Mr. KERREY. You support "rape and incest," but not "medically necessary and appropriate."

As I understand it, the Senator from Maryland wants to offer an amendment.

Ms. MIKULSKI. I say to the Senator from Nebraska and to the Senator from Oklahoma, should the amendment of the Senator from Oklahoma prevail, then I have two amendments that I will offer. One will deal with allowing abortions that are medically necessary and medically appropriate; leave the decision to the clinician. If that should be defeated, I will offer another amendment limiting it to medically appropriate.

I will say to the Senator from Oklahoma, there are many Senators who wish to speak. And there are many Senators who voluntarily reduced their time that they spoke on the last restriction to 5 minutes. There were Senators who wanted to speak extensively. One was the Senator from Pennsylvania on the other side of the aisle who actually went to the leader time because I could not accommodate him.

So at this point I cannot agree to a time agreement. If the two leaders have a different view and would like to discuss that with us, I would be happy to enter into a quorum call. But right now, I have colleagues that will want to talk about the yet one more restriction.

Mr. NICKLES. Mr. President, I appreciate the statement of my colleague from Maryland. I will just say we had 3 hours of debate on this issue. People know how they are going to vote. This is Hyde language. We have voted on this. Most of us voted on this several times. And I am happy to stay here as long as necessary. Just like I mentioned to my friend and colleague from Maryland that she has a right to offer her amendment, I have a right to offer my amendment. If it takes 10 minutes, that is fine. If it takes longer, that is fine, too.

I just hope we can vote. We have almost all of our colleagues here. We had a good vote, large attendance, on the last vote for a Saturday at 1. I do not know what the attendance is going to be on a Saturday at 3.

I think this is an important amendment since we are dealing with an issue that does affect the lives of a lot of unborn children and it does affect health insurance policies. So I think it is an important vote. I hope that we will vote on it very quickly.

My amendment is self-explanatory. It says no funds should be used to pay for abortions for Federal employees unless it is necessary to save the life of the mother or in cases of rape or incest. The Senator from North Dakota made a very passionate speech and mentioned—I remember when his wife was abducted. That was horrifying. But he also indicated that he would vote with us if we had the rape and incest amendment. Several of our colleagues have stated that.

I stated that I was going to give them that opportunity. I do not know why it would take very long for us to debate that. But I am happy to debate it as long as necessary. I urge we vote on it as quickly as possible. I also urge that we also vote very quickly on the other additional amendments of the Senator from Maryland.

I yield the floor.

The PRESIDING OFFICER. I would like to remind the Senators to address each other in the third person and to make addresses through the Chair.

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. I spent so much time—I am trying to think what the third person is. That is the "he" "they" stuff?

Mr. President, when the majority leader asked if we were ready—and we had a meeting earlier this week with the Senator from Alabama, the chairman of the subcommittee, and the question was, are you all ready to go? I am not sure he said, "you all." I guess I am in the Alabama talk. He said, "Are you guys ready to go with this bill?" We said the only controversial thing we have got is the abortion language having to do with health insurance. If we can get a time agreement, we would be prepared to go to this bill.

Last night we had an agreement. And this thing was humming along pretty comfortably. It looked like this would be the only vote, and we might be able to stack the remaining votes on Monday morning. Now it appears that it is coming unraveled. I just say it does not appear to me to be holding together much any longer. We had an agreement last night. It has broken apart.

The Senator from Oklahoma wants to offer another amendment. The Senator from Maryland will offer at least one additional amendment. We are stuck with the prospect now of being here all day long, voting on amendment after amendment after amendment. And, you know, just for the lay of the land, again, we are going to go into conference with the House. I do not know what is going to come back out of conference. It is not going to be language entirely struck. We are going to have to negotiate with the House to get some kind of language. It would not surprise me if we did not come up with language that is what neither the Senator from Oklahoma and the Senator from Maryland want. I do not know. Then, the President—they already promised to veto the darn thing, not on this but because we are cutting too much out of IRS. I do not know.

I say to the majority leader, in the third person here, I do not know whether or not it is advisable for us to continue on this bill. Maybe we ought to come back to the Senator and say, "Gee, we were wrong. We thought we had an agreement. We thought we had made a good-faith effort to work with Members on a variety of other controversial amendments and have worked out an awful lot of differences."

But it seems to me we are at a point where unless Members are enthusiastic about hanging around here all day long, voting on something that is apt to be vetoed by the President anyway, I do not know how much prospect we have for getting an agreement on this Treasury, Postal appropriations bill.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Well, I just hope that the Senator from Nebraska will not give up too easily. I know the process is very difficult. We found that out about midnight last night on the Defense Department authorization bill. We thought we were humming along pretty well. We got down to about half a dozen amendments. Suddenly there were 61 amendments. I do not know. We only had one amendment.

I know the Senator is prepared to accept a number of amendments. Is that true?

Mr. SHELBY. Yes.

Mr. DOLE. A couple of outstanding amendments that are controversial?

Mr. SHELBY. That is right.

Mr. DOLE. It seems to me, you might be on to something here. We might even finish a bill over here. There is not much precedent for doing anything in the Senate, but there is always hope we might finish something. We have got a lot of stuff in the bone yard now that keeps piling up out there. Sooner or later we have to finish it. If we do not do it today, then we will be doing it a week from today or sometime.

So if we can reach a time agreement, that would certainly help the managers. I do not want to discourage the managers.

We can go on to the Interior appropriations bill or we can start the welfare bill today. But I would rather complete this bill before we go to the Interior bill.

And there is still some hope we can come back to the Defense authorization bill that we almost completed yesterday and would like to complete today. But I hope that the managers might try to shop around for time agreements, and if not, maybe set aside this particular controversy and go ahead and do the rest of the bill and see if we can negotiate in the meantime. If we are going to have what amounts to a filibuster all day long, then I think probably we would just go on to something else.

Mr. SHELBY. Would the majority leader yield?

Mr. DOLE. Yes.

Mr. SHELBY. I wonder if the majority leader could get with the Democratic leader and some of the main participants and see if we can come up with a time agreement because we basically know how we are going to vote on this issue, as the Senator from Oklahoma said. But if we can have a time agreement on several amendments, we could move this bill this afternoon.

Mr. NICKLES. Will the majority leader yield?

Mr. DOLE. Yes.

Mr. NICKLES. I think the Senator from Alabama is right. I think everybody in this body knows how they are going to vote on the Hyde language, the rape and incest. And I am willing to vote right now, or 5 minutes equally divided. I know the Senator from Maryland stated that if we prevail—and we might; it is very close; I will tell everyone right now it is within a vote or two—if we prevail, she wants to offer a second-degree amendment. She has that right. I think she should have that right. And we do not have to decide now. I will be happy to grant the Senator from Maryland a time agreement if she wants it or not have a time agreement if she wants. But the best thing is to see how this thing would move forward by having a vote on the pending amendment. And then we go from there.

If the Senator wants to have additional amendments, she can do so. On those amendments I will be happy to enter into a time agreement if she would like—or not like, that is certainly acceptable with this Senator as well.

Mr. KERREY. What I would suggest is we go into a quorum call for 5 minutes, and we get the Senator from Oklahoma and the Senator from Maryland together to see if we cannot work out a time agreement where we could have these two amendments.

I alert colleagues that the idea here is to try to limit the number of votes that we have.

We can have debates all the rest of the day and night. We would like to stack votes. We would like to get a UC and stack votes on Monday, if the majority leader is agreeable to that.

Mr. DOLE. There are 94 Senators here. I do not know why we want to stack votes on Monday. We gave notice that there will be a Saturday session. There are four absent on our side, two absent on the other side. We are disadvantaged. They knew we were going to have a session. We do not have them very often. This is the first one we have had all year. We are trying to get into a recess mode.

I hope we will not push anything off to Monday. Before long, it will be a week from Monday and we will still be here, and a lot of people will not be happy with the majority leader.

Mr. KERREY. I appreciate that very much, but what we are left with, I do not know what the total number is—seven or eight we could not agree to. We worked on a lot of them. We worked with the Senator from New York, the Senator from Arkansas and several other Senators. We are working with the Senator from Georgia right now. We are trying to accept amendments where we can.

But where we cannot do it, we are left with seven or eight votes. We are going to have a Saturday session, a full

Saturday session, because all Members who have amendments are going to want to come, getting back to the third person here, Mr. President, are going to want to come to the floor and present their amendments and debate their amendments. I was trying not to avoid a Saturday session but trying to come up with a reasonable way to deal with the votes.

Ms. MIKULSKI addressed the Chair.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

TRIBUTE TO CAL ANDERSON

Mrs. MURRAY. Mr. President, this morning I was shocked and saddened to hear of the sudden and tragic death of a very good friend and long-time colleague of mine, State Senator Cal Anderson.

Cal passed away last night of a disease that is touching far too many lives. Cal announced that he had been stricken with HIV/AIDS just a short time ago. Cal faced AIDS as he faced every legislative battle we fought together: With courage, with integrity, and with honor. Even though Cal was seriously ill these past months, he continued to do his job for his constituents the best he could, fighting hard for the things he believed in. He worked hard to the end, representing his constituents to the best of his ability.

I worked very closely with Cal during my time in the Washington State Senate. He has been known throughout our State as an outstanding legislator. He worked hard, he stayed true to his beliefs, and he had a unique ability to find solutions. I worked with him on an open government committee on which we took steps to make the legislative process more accessible. Cal made sure our bill was not only workable but a big improvement in peoples' ability to participate in government.

Cal was a Vietnam combat veteran. He won two Bronze Stars and two Army commendations for meritorious service. He was courageous and he was honest. He served his country, as well as his constituents.

Perhaps most importantly, Cal was a passionate advocate for human rights and dignity. Just last month, a home in Seattle was dedicated in his name. The Cal Anderson House is a 24-unit facility that will provide housing, counseling, and other services to low-income families with HIV/AIDS.

A month ago, I visited Cal in his hospital room. As usual, he spoke not about himself but what I needed to do. Cal told me, if nothing else, I needed to do as much as I could as a U.S. Senator to ensure that people with serious diseases did not have to fight with their insurance companies for health care at the same time they had to fight the disease for their lives. Cal said he, himself, had excellent coverage as an elected official, but those around him suffered through insensitive insurance companies. He felt that dignity was and is being taken away from seriously ill Americans, and that did not reflect the America he knew and loved.

So, today, I rise to simply say goodbye to Cal, to thank him for his years of service to his country and his State, and to say: Cal, your battle is over, but our battle continues, to defeat AIDS so that it will stop taking lives from far too many young Americans.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1996

The Senate continued with the consideration of the bill.

UNANIMOUS-CONSENT AGREEMENT—AMENDMENT NO. 2153

Mr. SHELBY. Mr. President, I ask unanimous consent that a vote occur on or in relation to the Nickles amendment No. 2153 at 2:30 p.m. today, and that the time between now and the vote be equally divided in the usual form, and that no amendments be in order during the pendency of the Nickles amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. NICKLES. Mr. President, for the information of our colleagues, what we have just agreed to is that we will have a vote on or in relation to the Nickles amendment soon, which several of our colleagues have requested, which deals with prohibiting funds for the use of abortion in Federal employees' health care plans unless it is necessary to save the life of a mother, and in the case of rape or incest.

I hope we can vote much sooner. We have an hour and 10 minutes, equally divided. This Senator will be happy to yield back a significant amount of time. A lot of people would like to do something else on Saturday afternoon. It happens to be a very important vote. I think everybody knows how they are going to vote.

I ask my colleagues to speak briefly, and maybe we can yield back time and actually vote prior to 2:30.

I yield the floor.

Ms. MIKULSKI. Does the Senator from Oklahoma wish to comment on his amendment or on why he felt it met a compelling human need?

Mr. NICKLES. To respond, I have spoken more on the floor than I ever cared to on this particular Saturday. I think it is very well known what this amendment is. It is Hyde language. It says we are not going to use Federal funds to subsidize abortions for Federal employees unless it is necessary to save the life of the mother, or in the case of rape and incest. It is pretty self-explanatory.

The PRESIDING OFFICER (Mr. GRAMS). Under the previous agreement, the time is controlled by the Senator from Oklahoma and the Senator from Nebraska.

Mr. KERREY. I ask unanimous consent that the time on our side be controlled by the Senator from Maryland.

Ms. MIKULSKI. Mr. President, I yield myself such time as I may consume.

Now, where we are on the Nickles amendment is that, essentially, this is yet another version of a restriction. We just defeated an amendment that was a restriction, and each side articulated that position, I think, in a very clear way.

I do not want any restrictions on Federal employees health benefits. Therefore, I oppose the Nickles amendment.

Under the legislation pending, the committee amendment, if someone is a victim of rape, they can have an abortion. If someone is a victim of the most horrendous assault on a person, incest, they can have an abortion. This is not about allowing rape or incest; this amendment limits it only to the life of the mother, rape, and incest.

So, we will be clear, this is not about being a knight in shining armor that says we will provide at least some flexibility in harsh, punitive, restrictive, and repressive legislation. No. The legislation that is pending before the Senate through the committee amendment has no restrictions on Federal health employee benefits. That is the current law.

Now, the issue is not what is decided. The issue is, who decides? I believe the U.S. Congress should not interject itself into the physician's office. I believe the Congress should stay out of that and focus on what it is supposed to be doing, which is broad policy objectives for the Nation. It is not to intervene, interject, detour, derail, or micromanage what goes on in a physician's office when a Federal employee or a dependent in a Federal employee's family seeks medical help. That is why we oppose it.

We did not want restrictions. We believe in doctors' autonomy, in doctors' judgment. That is why we say the issue is not what is decided, but who decides.

Now, we also believe that there is a war going on against American women; that there is a war going on in the home; that there is a war going on through the terrible violence of domestic violence. We believe there is a war against women in terms of street crime, particularly rape. We believe there is a war against women going on in the workplace through sexual harassment. That there is even a war against women going on in the U.S. Senate, and we cannot even get a public hearing on this.

We also believe that there should be no cutting of health care. What we see is that there is a war against women. It is not only about abortion and Federal employees; we are also cutting medically necessary services in other areas of health care.

Look what we are doing to the elderly on Medicare. Look what we are doing to children on Medicaid, under the guise of welfare reform, when children will lose their health benefits. Look what we are doing to the elderly, in terms of long-term care, by cutting Medicaid. That is why we say there is a war against women going on in the United States of America.

We want our colleagues to defeat the Nickles amendment, restricting women's options in health care, to only be able to have an abortion if their life was at stake or if it is rape or incest.

Now, every single Member of the U.S. Senate will view rape and incest as the most repugnant, the most horrible, the most atrocious thing that can be done to a human being. Of course, if you are a victim of rape and incest, we would want you to be able to have that abortion. We want you to have an abortion if it is medically necessary and medically appropriate.

We believe in freedom of choice, self-determination. We believe in the United States of America, we believe it in foreign policy, and we believe it in the physician's offices where Federal employees or their dependents seek advice, counsel, and clinical judgment.

This is why we oppose this restriction. This is why we want to defeat the Nickles amendment.

Later on, we want to defeat the cuts in Medicare. Later on, we want to defeat the cuts in Medicaid that take away medical services for the elderly and for children. We will also want to defeat the other horrendous cuts that are going on where women are victims of violence and abuse, whether it is in the home, whether it is in the streets, or in the neighborhoods.

I hope that we would defeat the Nickles amendment, support the committee amendment, currently, which leaves the decisionmaking to the pregnant woman and to the physician.

How much time did I consume?

The PRESIDING OFFICER. The Senator from Maryland consumed 6 minutes.

Ms. MIKULSKI. I yield 5 minutes to the Senator from California.

Mrs. BOXER. Thank you very much, I say to my friend from Maryland.

I thought when we initiated this discussion we would have one vote, let the chips fall where they may. But I respect the fact that the Senator from Oklahoma wishes to raise this issue again, and we will see, now, where this leads.

What does this current amendment do? It reverses every single thing we just did, except that it adds two exceptions to the House restrictions.

I want to make that clear. It reverses everything that we did. It says that no Federal employee female can use her private insurance to get an abortion unless her life is at stake or in cases of rape and incest.

In essence, it is treating Federal employee women unlike every other woman in this country. They cannot use their private insurance to obtain an abortion unless their life is at stake or they are a victim of rape or incest.

I have a question to ask rhetorically to my friend from Oklahoma. What if her health is at risk if she carries the fetus to term? Can she get that abortion? No, not under the Nickles amendment. If her health is at stake, she cannot use her private insurance to get an abortion.

What if she runs the risk of severe paralysis if she carries the fetus to term? No, under the Nickles amendment she could not use her private insurance to obtain an abortion.

What if the doctor believes an abortion is necessary to preserve her future fertility? No, she cannot use her private insurance, unlike every other woman in America, to exercise her right to choose.

What if the doctor believes there would be untold pain and suffering throughout her entire life if the fetus is carried to term? No. No, under the Nickles amendment, she would not be able to use her private insurance to obtain an abortion, unlike every other woman in America who has insurance.

The answer is, that woman would be in deep, deep, trouble because she would be left alone, she would face a life, perhaps, of untold pain and suffering, if she carried the fetus to term.

I hope the women and men in America are watching this debate, although it is not too likely. I applaud those who are here watching us today. Why do I want them to watch this? Because this is not some ideological dispute. It affects their lives. I want them to think of a daughter, of a niece, of an aunt or a cousin. I want them to think of their favorite female person that they know who might find herself in a very troubled pregnancy, with terrible, terrible possibilities to that woman's health, unable to use her insurance. Perhaps this favorite relative is not wealthy. She is frightened. She is forced, because of the Nickles amendment, to carry a fetus to term, even though it threatens her long-term health.

I say the question comes down to this. Who do you trust? Who do you trust to make this difficult, personal, agonizing, troubling decision? Do you trust the U.S. Senator who does not even know your family? I do not. I do not put the health of my children in political hands. I keep it in my family, with my God, with my doctor, with my husband, with my loving family, with my loving rabbi, if you will. And I do not want to put it in the hands of the Senator from Oklahoma. I want to put it in the hands of the people who love—who love, personally—the people who are impacted by this ill-advised amendment.

The PRESIDING OFFICER. The 5 minutes for the Senator from California has elapsed.

Mrs. BOXER. I ask for 30 seconds.

Ms. MIKULSKI. I yield the Senator 30 additional seconds.

Mrs. BOXER. In summing up my argument, let me say to the people of America who are watching this debate, this is a difficult choice and we all make it inside our hearts, inside our minds, in our prayers. And we come at it a little differently.

So should the politicians of America now decide, if you happen to be a woman who works for the Federal Government, we are going to tell you—even if you face long-term risk to your health, to your person, to your body, to your future—what to do about a personal, religious decision? I say no. Let us stand firm for the individual to make that choice and let us support the Senator from Maryland and vote down the amendment that is before us.

I yield the floor.

Ms. MIKULSKI. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from Maryland controls 22 minutes and 30 seconds.

Ms. MIKULSKI. Mr. President, I am going to yield 5 minutes to the Senator from Illinois, and then, after that, I will yield 10 minutes to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Illinois.

Ms. MOSELEY-BRAUN. Mr. President, there is a lot of emotional discussion in this debate regarding the issue of abortion and that, after all, is what it is about. But let me suggest to the Members and the people in the gallery and the people who are listening, there really is another issue here and that is an issue of liberty and an issue of the appropriate role of the Federal Government in micromanaging specific details having to do with women's health.

Whatever side of the abortion issue you come out on, it seems to me one thing can certainly be said and that is that it is unusual—it has been unusual for the Federal Government, for the

Congress of the United States, for the Senate, to begin to detail, in specific detail, exactly what should and should not be covered by Federal employees' health plans.

Think about it. What would be the reaction on this floor if some Senator stood up and said: "I think the Federal Employees Health Benefits Program should only prescribe this procedure for the prostate and not that procedure for the prostate." Everyone on this floor would say, "This is absurd. We have an entire group of people to make decisions about health coverage so Federal employees can enjoy the same kind of health coverage as is enjoyed in the private sector."

Yet, what is happening here is, because it is women's health, and because it is the volatile issue of abortion, there is an exception being made here, an exception that, frankly, goes back to overturning longstanding precedents regarding the Congress not micromanaging employee benefits in a way that exceeds our traditional role.

We have, traditionally, in the Congress, involved ourselves in issues of Federal pay. But, frankly, until the Reagan administration we, the Congress, have consistently left details relating to the administration of employee benefits, employee benefits, to the Office of Personnel Management. This is as it should be.

It is the law that women are able to privately choose whether or not an abortion is appropriate for their personal circumstances and situation without interference from the Government. So 2 years ago, in 1993, we removed the intrusion of politicians from employee compensation issues and we should, I think, continue to keep the involvement of politicians out of issues going to benefit coverage on Federal health insurance.

I would like to make another point. This represents yet another special carving out in the area of women's health that I believe is inappropriate. This Congress has already moved to restrict the rights of poor women to exercise their right under the law to choose whether or not to have an abortion. Now we are trying to take another step. We are going to restrict the right of women who work for the Federal Government to choose whether or not to exercise their rights to have an abortion.

In any event, this would isolate Federal employees, as a group, with health insurance plans that were like no one else's. That is to say, an employee who worked for a major corporation in this country would have reproductive rights covered under her health insurance. An employee who worked for the Federal Government, if the Senator from Oklahoma is successful, would not. And that is really the crux of this debate. Not just the issue of abortion because, frankly, between Supreme Court decisions and decisions that have been in place for at least 20 years now, the issue of abortion—in the law, at least—has been settled. It is legal. It is a matter of personal choice by an individual woman with regard to what it is she does with her own body.

I believe that personal choice ought to remain that way. It is no one's business what somebody does in regard to a decision as private as this. It should be between a woman and her God and her conscience and her family. It certainly should be removed from interference by politicians who, frankly, I do not think should get that much into anybody's private business.

But that issue having been in the forefront of our public debate, we understand that right now there continue to be efforts here in the Congress to poke away at the issue, and to really repeal, by indirection, the decision of the courts and what has been the law in this country for easily 20 years.

I believe this repeal by indirection is inappropriate. I believe it is a mistaken approach for us to suggest to the world that we believe in liberty when it comes to all these hosts of issues having to do with personal freedom and individuals being treated fairly in terms of health coverage, and in terms of their decisions about their personal circumstances, on the one hand, and yet carve out exceptions, exception after exception after exception, when it comes to reproductive choice and reproductive rights.

Mr. President, I hope my colleagues will heed the warnings from the Senator from Maryland and will defeat the effort to make this incursion into women's rights that I believe is certainly inappropriate and should be defeated with this next vote.

With that, I say to the Senator from Maryland, I know I have no additional time but I will yield back whatever time may be remaining to the Senator from Maryland.

Ms. MIKULSKI. I thank the Senator from Illinois. She has been a marvelously strong advocate. It is a blessing to have her here.

I yield a maximum of 10 minutes to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 10 minutes.

Mr. SPECTER. Mr. President, I thank my distinguished colleague from Maryland for yielding me the time.

Mr. President, the major considerations on the pending amendment involve the underlying question of abortion and whether the U.S. Senate is going to continue at great length to debate this issue while relegating other very important subjects to lesser status.

I agree with my colleagues who have emphasized the point that it is a very important matter. And while I am personally opposed to abortion, I do not think it is a matter for the Federal Government to regulate them.

I think in the broadest context, the issue has been decided by the Supreme Court of the United States not just in Roe versus Wade in 1973 but in the 1992 decision of Casey versus Planned Parenthood in a decision written by three Justices who had been Republicans, all of whom were appointed by conservative Republican Presidents.

So that is the law of the land, and that is the dominant question. When you take a look at what has occurred in the course of the recent days and recent weeks you see a really concerted effort to dismantle the constitutional right of a woman to choose.

On July 21, within the past 2 weeks, there was an amendment passed in the House of Representatives overturning the option of the States, the requirements of the States really, to provide abortion in the cases of rape or incest for poor women. On July 20, there was an amendment adopted in the House of Representatives which prohibited human embryo research. On August 3, there was an amendment adopted eliminating the funding for the Office of Surgeon General which was a reaction of the debate on Dr. Henry Foster whose only wrongdoing, only alleged wrongdoing, was that he performed medical procedures permitted under the U.S. Constitution. This is a man who was practically ridden out of town on a railroad without being allowed a vote in the U.S. Senate on the confirmation process.

On July 21 of this year, the House adopted a provision which intruded upon the ability of medical schools to accredit hospitals and training institutions on the basis of requiring works in obstetrics and gynecology related to abortions. The House of Representatives, after very extensive debate, very narrowly defeated a provision to eliminate funding for Planned Parenthood.

We have seen legislation passed by the House of Representatives which would prohibit Federal funding for a woman in a prison. If a woman is in a prison and she is raped, she has no access to funds of her own, and according to the standard of the House of Representatives, the Federal Government may not pay for her abortion. The House has also passed legislation which would prohibit the abortion on military installations around the world when there are servicewomen and dependents of servicemen who would be denied the opportunity to have an abortion performed on U.S. military installations.

So what has in effect happened is that there has been a concerted attack to dismantle the woman's constitutional right to choose because those who have favored a constitutional amendment to ban abortions, to criminalize abortions, have been unsuccessful in doing so.

That led one of my ingenious staff members to prepare this chart which I displayed briefly this morning, and on a separate amendment it is worth just another look. It is a chart entitled "Dismantling a Woman's Right to Choose" from A to Z. And the A is, Amend the Constitution to abolish a woman's right to choose; B, Ban Federal funding for abortions of women in Federal prisons; C, Cut off family planning funds. And when you come down to M—I am not going to read them all—you have M, Mandate that Federal employees' insurance exclude abortion coverage. That is a matter on the floor today.

Mr. President, when the arguments have been made that there is a Federal subsidy, I submit, realistically viewed, it is not a Federal subsidy, for two reasons. One is that the employees pay a substantial part of the funding—about 28 percent. So it would be fair and reasonable to allocate that 28 percent to this particular kind of health coverage.

Second, the Federal employees give services for their compensation, and part of their compensation is this health care plan, which does have some Federal employer support as well as their own personal contribution.

So what we really have here is marking for consideration the doctrine of the law which says the employee is bargaining for his salary, and part of the consideration is his health coverage, part of which the employee pays for and part of which the employer pays for.

An argument was made earlier today that you have the deductibility for the private health care plans where the employer can deduct it and the employee does not count it as income, which is a procedure under the Internal Revenue Code to encourage employers to have allocations for health care.

So when you take a really close analytical look, there really is not a Federal subsidy involved here, but it is a health care plan like many, many other health care plans available in the United States which gives this coverage for this kind of a medical procedure.

Mr. President, how much time remains on my 10 minutes?

The PRESIDING OFFICER. The Senator from Pennsylvania has 4 minutes remaining.

Mr. SPECTER. I thank the Chair.

Mr. President, as we move through the debate—it is now 1:47; the debate started shortly after 9 o'clock this morning—on this one issue on coverage in Federal employee health plans, it is obvious that unless we make a change in the approach of the U.S. Senate, this issue is going to occupy a tremendous amount of our time, which I suggest could be spent better on other matters of the public interest.

We are awaiting argument this afternoon on whether the office of drug czar ought to be defunded or not. The drug czar is an office which was created to coordinate and oversee all of our activities in the war on drugs. This is a very important matter to analyze what the drug czar has been doing—whether it has been an effective use of taxpayer dollars or whether it ought to be continued. That matter is being put off. And who knows whether we will reach it this afternoon or not?

Shortly before the debate started on this matter, the Senator from New York, Senator D'AMATO, was about to offer an amendment relating to the Federal payments on the Mexican debt issue, a matter of enormous importance. We have the issue of welfare reform, which is in the wings awaiting to come to the Senate floor. There is another appropriations bill on the Department of the Interior, which is awaiting consideration by the U.S. Senate.

This issue about the Federal employee insurance coverage is just one of many that we are going to be taking up. We are going to be taking up human embryo research. We will be taking up funding for women's abortions in prisons and abortion access in military hospitals for women in the armed services stationed overseas.

Mr. President, when we had the loud mandate in 1994 electing a Republican Congress, I would suggest to you that the item of the Contract With America was a dominant philosophical ground. It is important to note that there is nothing in the Contract With America about abortion, not a single word. That mandate in 1994 was instructing the Congress to work on reducing the size of Government, reducing Federal expenditures, having a tax cut, having strong national defense, and having effective crime control. And the issue of a balanced budget in the glidepath to the year 2002 was an item which involves a tremendous number of very, very important considerations.

If we are going to spend the better part of a day, if not the entire day, on this one item, a Saturday session at that, I would suggest to you, Mr. President, that we are not going to be fulfilling the mandate for which the voters elected a Republican Congress and sent a message to Washington to take care of a balanced budget to reduce spending, to focus on problems like the drug problem, like the problem of the issue of the drug czar, like national defense—where we had that bill taken from the calendar so we can proceed to the debate on this issue involving abortion.

So, Mr. President, I think essentially stated as to the particulars of this bill, there is bargain for consideration by the employees. The employees pay a portion of it themselves, 28 percent. But this, realistically viewed, is not a Federal subsidy. And on the broader picture, the issue of the constitutional right of a woman to choose has been established by the Supreme Court of the United States. That is the law of the land, and we ought to accept it as such.

I yield the remainder of my time.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. There is 5 minutes and 20 seconds remaining under the Senator's control.

Ms. MIKULSKI. That is it?

The PRESIDING OFFICER. That is it. Now it is 5 minutes 10 seconds.

Ms. MIKULSKI. I yield 3 minutes to the Senator from the State of Washington.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Mr. President, I rise today in opposition to the Nickles amendment. This amendment discriminates against women in Government by severely limiting their access to abortion services through the Federal Employees Health Benefits Program.

The Senate just went on record saying that women who are Federal employees have a right to use their medical services in their own way. We should not change that decision now by going back on our word and saying only in very limited cases. I think it is extremely important that we understand this amendment significantly, and I go back to my friend, who I talked about earlier today, who I knew in college some years ago who was date raped and because abortion was illegal in this country was forced to go to a back-alley abortion and because of that procedure, today cannot have children.

Under the Nickles language, I have to ask, what would happen to my friend? Would she have to prove that she was raped? Would she have to go through a court process? I think we walk a very slippery slope in this determination, and I urge my colleagues to oppose this amendment.

I have listened carefully to their arguments today, and I have heard some say that we are using taxpayer dollars, taxpayer dollars which are essentially paid to our Federal employees, and we are saying because it is our money, we are going to tell them how their pay is going to have to be used.

I suggest to my colleagues that is a very slippery slope to go down. If we begin by saying, because it is our taxpayer dollars we pay you with, you cannot have abortion services, can we then use our prerogative here to determine how else they can use their pay, our taxpayer dollars? Can we tell them they cannot use their pay to buy tobacco products or they have to buy American cars?

Are we going to go through our Federal employees' budgets, home budgets line by line to determine how their money is used simply because taxpayers' dollars pay Federal employees?

I say to my colleagues this is a very slippery slope, and I urge us to proceed cautiously. I urge us to vote no on the Nickles amendment and retain the language this Senate very thoughtfully voted on just a few moments ago.

I yield back the time to my colleague from Maryland.

Ms. MIKULSKI. Mr. President, I know Senator FEINSTEIN wishes to speak. I yield myself 1 minute.

I wish to make very clear that this legislation is, No. 1, a restriction. No matter how it is improved, it is still a restriction.

Also, many people continue to bring out the issue of taxpayers' funds. Federal employees contribute to the health insurance plan. This is their contribution. They have a right as Federal employees to be able to seek medically necessary services. This is not like Medicaid funding on abortion which is 100 percent taxpayers' funds. I am sure we are going to be debating it extensively later on in the year.

I also want to bring to everyone's attention that right now no Federal plan restricts any type of medical procedure. The Federal Employees Benefit Program generally does not dictate what benefits are offered. Therefore, it goes counter to everything to then single out one medical procedure—abortion—for restriction.

We hope that the Nickles amendment is defeated.

Excuse me. Was the Presiding Officer tapping me down?

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Ms. MIKULSKI. I know we are waiting for Senator FEINSTEIN. Did Senator MURRAY have any other remarks that she wished to amplify?

I say to the Senator from Oklahoma, I note that the other Senator from Oklahoma wished to speak. I will reserve what time I have remaining.

The PRESIDING OFFICER. A reminder, the Senator from Maryland has 30 seconds remaining under her control.

The Senator from Oklahoma.

Mr. NICKLES. Mr. President, before I yield to my friend and colleague from Oklahoma, I will just tell my colleagues it is my intention to yield back the remainder of our time very shortly so there should be a rollcall vote probably in the next 10 minutes.

I yield to the Senator from Oklahoma such time as he desires.

Mr. INHOFE. I thank the senior Senator from Oklahoma for yielding the time. I thank him for all of his efforts in behalf of the unborn.

I think the senior Senator from Oklahoma is correct when he says that there are not any votes that are going to be changed by this discussion we are having today. We know when we walk in here how we were going to vote on this. We have debated this. There is not a person in this Chamber who has not debated and has not voted on this issue more than once. And so the benefit of this discussion we are having today is not for each other, not to change votes. It is for whoever might be watching, for maybe those rainy regions of America where people are stuck inside and a couple million people may be watching this. So I think that it is worth at least responding to a couple of things that have been said.

The Senator from Pennsylvania is a very eloquent attorney. He made some comments about Henry Foster. He said that his only wrongdoing and the thing that caused him not to be confirmed was his position on abortion.

That is not the case at all. It was his positions—plural—on abortion where he started out saying he had not performed abortions. Then it was 12, then 30, then 300. That has nothing to do with the subject today, but I thought I would just mention it.

The Senator from Illinois talked several times about the fact that this is a private matter; that Government should not be involved in the issue of abortion. I suggest to the Senator from Illinois that Government was not involved in this until abortion became a reality with Roe versus Wade. We seem to forget in this body that there are three branches of Government. It is not just the legislative branch. And the judicial branch of Government did all of a sudden make this an issue, so Government is the reason that we have an issue.

While I was serving in the other body, I kept track one time. Over an 8-year period, five out of six votes having to do with abortion had to do with the Federal funding of abortion. That is the Federal Government being involved in our lives.

Then the Senator from California, the junior Senator from California, made the comment that any decision having to do with abortion should be in consultation and concern with—those were her words, I believe—her husband, consultation and concern with her own body, consultation and concern with the doctor, consultation and concern with the rabbi. I suggest she is overlooking one very important part, and that is the most helpless of all, that little human being. That little human being cannot take care of himself or herself. I suggest the husband can; I suggest that the doctor can; certainly the junior Senator from California can; and certainly the rabbi can. But the one person not represented on that list is the little human being, the tiny baby. If somebody wants to explore that a little bit further and determine in his mind or her mind whether or not that is a little baby, I suggest you walk up to the President there and he will hand you a Bible and you might look for and read the 139th Psalm.

I yield back the time.

The PRESIDING OFFICER. Who yields time?

Ms. MIKULSKI. I yield whatever time I have remaining to the Senator from California.

The PRESIDING OFFICER. The Senator from California has 30 seconds.

Mrs. FEINSTEIN. I have a hard time, Mr. President, saying my name now in 30 seconds, but I will try.

I basically believe that this is a bad amendment, and the reason I believe it is a bad amendment is because it makes women in the Federal work force second-class citizens. The amount of taxpayer money in this is minimal, maybe $1 per $1,000. The fact is that most private health care plans afford a woman this opportunity.

The arguments on abortion on demand, I think, are ridiculous. That is not real life, that is not the way women are. So I believe the amendment that passed earlier this morning is the amendment that we should abide by. And in that respect, I am very hopeful there will be a very strong vote.

I thank the Chair.

The PRESIDING OFFICER. All time under the control of the Senator from Maryland has now expired.

The Senator from Oklahoma controls the remaining time of the debate.

Mr. NICKLES. Mr. President, I yield the Senator from Indiana such time as he desires.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. Mr. President, I think everybody in the Chamber knows just exactly what we are doing here. Earlier we debated at length and voted on the issue of whether or not the taxpayer should fund abortions provided to Federal employees. The debate switched to an issue that included a definition of what exceptions would be allowed to that prohibition.

I stated then, and a number of others have stated, what we believe to be a clear consensus among the American people relative to the issue of funding for abortion, use of taxpayers' dollars. We are not debating here today—although it is part of the debate and I believe it should be the central focus of debate in the Senate—the question of human life, when it begins, what protections it deserves under our Constitution, what protections it deserves in terms of the statutes that we may pass. That is probably the most fundamental issue this Senate could ever debate. And I hope we will have an opportunity to debate those central issues.

That, however, is not the issue today. The issue today is whether or not we will force taxpayers to send their money to the Government to be used to provide a medical procedure which violates—for many, not all—but for many some of their most deeply held religious beliefs, some of their most deeply held moral convictions. This Senator, and others, have stated they did not believe that is proper.

Polls that have been repeatedly taken throughout this country have indicated that a very substantial majority of Americans do not believe it is proper to utilize tax dollars for Government provision of abortions for women. That is the central issue here today.

Now, in the earlier debate, we debated whether or not there should be exceptions to that rule. And the exception provided for in the earlier debate was simply the life of the mother. The Senator from Oklahoma had concluded, in discussion with a number of us, had concluded some time before, up to 48 hours before, that the exceptions that he would provide in his amendment or against the amendment in his language were not only abortion provision in the exception of the life of the mother but also in the cases of rape and incest. Because of a procedural problem, he was not able to do that. That issue was presented to Members of the Senate and raised because many came down and spoke on this floor saying they could not support a provision which did not allow exceptions for rape and incest. The Senator from Oklahoma said, "I tried to do that. I was not able to do that for procedural reasons."

So we moved to a vote. The vote failed—the Senator's position failed, which I supported. I was disappointed that it failed. But, nevertheless, it failed. The Senator from Oklahoma now comes back with the identical underlying premise, that is, taxpayers should not fund abortions, the Government ought to get out of the abortion business, but provides exceptions in cases where the life of the mother or in cases of rape and incest occur. A number of Senators spoke publicly on this floor saying that the reason they opposed the earlier amendment that did not include rape and incest is because it did not include rape and incest. They could not vote for a provision that allowed only for the exception of the life of the mother.

By statement or strong implication, they left the conclusion or the belief, at least in my understanding, that if an amendment were presented that did allow exceptions for rape and incest, they would vote for it. They will have the opportunity to do that. A number of others with whom I talked privately expressed that same sentiment to me. "I cannot vote for something that does not allow an additional exception for the life of the mother and rape and incest." That is what is before us. Let us keep the focus on what this issue is. Let us keep a focus on what this vote is. If, as many have said, you do support an amendment that allows life of the mother, rape and incest, then support the amendment offered by the Senator from Oklahoma.

That is the issue that is before us. And I hope Members understand that and the vote will clearly state where individuals stand on that issue.

Mr. President, I yield the floor.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. For the information of my colleagues, I misspoke earlier. It was my intention to yield back time. I understand the unanimous-consent agreement says that the vote will be at 2:30. I would be happy to yield back the time. It would require unanimous consent to do that. And I have been informed that the minority does not want us to yield back the time. So, I will not make that effort at this point.

But let me touch a little bit on this amendment.

First, I wish to compliment my colleagues, Senator INHOFE for his statement and also Senator COATS for his statement.

I ask unanimous consent that Senators INHOFE and KEMPTHORNE be added as cosponsors.

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

Mr. NICKLES. Mr. President, a couple of our colleagues——

I ask unanimous consent that Senator THURMOND and Senator THOMAS be added as cosponsors.

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

Mr. NICKLES. Also Senator CRAIG and Senator COATS be added as cosponsors.

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

Mr. NICKLES. Mr. President, I heard a couple of things that kind of intrigued me during the course of this debate. Now, I think everybody knows how they are going to vote. I wish we could vote in just a couple minutes. Evidently that is not going to happen. The language that we now have is Hyde language. We have had restrictions on public funding of abortion going back to the 1970's. Actually going back to Roe versus Wade, there have been some restrictions on public funds used to pay for abortions because it bothers a lot of people. Abortion bothers them for what it is. It is destroying the life of an unborn child. And to think that the Government would be paying for it bothers a lot of people. It is kind of a double hit. One is abortion is bad, it is wrong, it is terrible, it is destroying the life of an innocent child. And then, two, to have the Federal Government pay for it or subsidize paying for it really bothers a lot of people. It bothers this Senator. And evidently it has bothered the country, because Congress has had restrictions on abortion funding in different elements, either for Federal employees or for Medicaid recipients, for a long time, and some restrictions on how funds are spent overseas in military hospitals. We have had all kinds of different restrictions because it bothers people to have taxpayers' funds used to destroy innocent human lives.

So that is what we are trying to do now, is to save human lives. We are trying to make sure that taxpayer funds are not used to subsidize abortion for Federal employees. The Federal Government subsidizes health care, rather generously, 72 percent. We do have a right to control funds. We do have a right to say how the money is spent. We do it every year. We have done it every year. That is the reason why most of us, probably, voted on this in Congress. The majority of Congress has supported the Hyde language for the last many, many years.

Some people said, well, that is unconstitutional. It is taking away a woman's constitutional right to choose. I disagree. There is nothing in the Constitution that says, "Taxpayers, you must pay for abortions," nothing. As a matter of fact, there is a Supreme Court case that says "Abortion is inherently different from other medical procedures, because no other procedure involves the purposeful termination of a potential life." That is Harris versus McRae on June 30, 1980. The Supreme Court says, as we know, we have the power of the purse. We can withhold funds. And abortion is a different type of medical procedure. A lot of our colleagues seem to think it is a fringe benefit and it should be available just like any other medical procedure.

Most of us disagree, or a lot of us disagree. That is the reason why we are here. I wish we were not debating this all morning. I would have been happy to have 30 minutes on the initial amendment. I really did not want the initial amendment. I wanted to vote on this. I was denied that opportunity. We had a vote on it 2 years ago. We lost by a couple votes. This vote is going to be close.

I do not know if some additional colleagues have left or not. But I will tell all my colleagues, this is very important.

One of our colleagues during the debate said in 1980, before we had the Hyde restriction on Federal employees, that OMB calculated—or maybe it was not OMB, but some Federal agency—had calculated that there were 17,000 abortions paid for under the Federal employees plan.

It was illegal to do that from 1984 to 1993. We had similar restrictions to the one we voted on before. The restriction we have now is more broad.

Let me rephrase that. The restriction that we had from 1984 to 1993 only allowed abortion to save the life of the mother. The language we have now allows abortion or moneys to be used for abortion to save the life of the mother or in cases of rape and incest. The Senator from North Dakota made an excellent statement. He talked about his wife. He made it very passionately. You can tell he believed in what he is saying. I do not disagree. It is hard to argue with the statement that he made.

Mr. KERREY. Will the Senator yield?

Mr. NICKLES. Withhold for a moment and I will be happy to yield.

If we do not have some restrictions, then you can have Federal Government taxpayers' funding of abortion for any reason—any reason. You would have abortion on demand paid for by the Federal employees health care plan, and it can be for sex selection. If you find out the fetus is a different sex than you desire, you can have it aborted, and it will be paid for by your health care plan, or you can have a late-term abortion and have that terminated. Or maybe you find out that your fetus has a health problem of some kind, you can have the baby destroyed. Any reason, no restriction, no restriction whatsoever, and all you have to do is say, "Here's my health card."

Some people in the private sector have that option. Lots of people in the private sector do not have that option. We should not use taxpayer funds to make that so readily available.

I heard some people say they want abortion to be safe, they want it legal and want it to be rare. If you make this a common fringe benefit in health care plans, three-fourths paid by the Federal Government, it does not cost very much, it is pretty easy and oh, yes, it is paid for by the Government, it must be OK, it has the sanction of the Government.

This is a fringe benefit provided for by the Federal Government, so your out-of-pocket costs are going to be what? If an abortion costs $200 or $300 and you had to pay 20 percent or 10 percent, maybe it cost $20, $30, or $40. The majority of abortions that are done in the District of Columbia are repeat abortions, and the majority of those are done because of convenience. As a matter of fact, one of the statements made earlier in the debate by Senator SMITH said 90-some odd percent. I believe the figure is 98 percent of the abortions performed are done because it is inconvenient, not because of rape, not because of incest, not because the mother's life is in danger, but because it is inconvenient. Maybe the pregnancy was not planned. I will admit, I was not a planned pregnancy, but I am thankful my mother decided to go ahead to term. She debates it right now.

Mr. President, we are here because our mothers made decisions to bring us to term. I hate to think that we are going to make a fringe benefit so available, so commonplace, so ordinary and minimize the cost for anyone to have abortions so routine—"Oh, yes it is covered by health care insurance, let's just go do it." Oh, incidentally, your health care insurance is paid 72 percent by Uncle Sam. That is Uncle Sam encouraging the policy.

For a couple of our colleagues who stated we want to get the Government out, we do not want the Government in our bedroom—and we do not want the Government in our wallets, we are trying to say Government taxpayers should not subsidize abortion. If they still want to have an abortion, they can get it and pay for it with their own money, but we should not have Uncle Sam saying, "We will pay it for you."

That is the whole issue of what we are talking about, should we have Federal subsidies; do we want the Federal Government to subsidize. On Medicaid, we said no. On Medicaid, we have the Hyde language. We do not provide abortions for Medicaid-eligible people unless it is necessary to save their life or in cases of rape or incest. That is what this language is. We are saying the same thing should apply for Federal employees. I will be happy to yield to my colleague.

Mr. KERREY. Let me say, first of all, I know my friend from Oklahoma has very strong feelings about this, and we have a different, I think, core belief. I presume earlier discussions that I had with the Senator from New Hampshire is not going to be repeated in this case. We have a different core belief, and it leads in a different direction.

But the question I have is, let us presume that we go into conference and we come back out and the House language holds and health insurance is not going to be used to pay for abortions, except to save the life of the mother. I have a woman who is making $45,000 a year working for the Federal Government. She decides to take that $250 of her pay to get an abortion. What is the difference between her taking $250 of taxpayer money and using it to get an abortion and an insurance company? Are we not still subsidizing? If a military employee who is not covered by this legislation, this insurance, uses their salary, are they not subsidized as well?

If you really want to eliminate all the subsidization, would we not have to go out and make sure that no Federal employee used any of their Federal salary to pay for a legal abortion?

Mr. NICKLES. Mr. President, responding to my friend and colleague from Nebraska, the answer is no. We do not have anything in this language saying we are going to control how anybody spends their disposable income. What we do say is on health care plans that we subsidize—health care plans the Federal Government writes, health care plans the Federal Government pays 72 percent of the cost of—we do not think abortion should be a fringe benefit. Abortion is entirely different than other medical procedures. It destroys a human life. We are saying that should not be a fringe benefit. What somebody does with their own money is entirely their own business. We are not trying to change that. What we are trying to say is, as far as Federal policy is concerned, we should not be subsidizing abortion, we should not have that included as a fringe benefit.

I reserve the remainder of my time and suggest the absence of a quorum.

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

The legislative clerk proceeded to call the roll.

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

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

Mr. NICKLES. Mr. President, within a moment, we will be voting on the amendment I offered that basically is the Hyde language. It says that no funds will be used for abortion unless necessary to save the life of a mother, or in the case of rape or incest.

If this amendment prevails, the Senator from Maryland, Ms. MIKULSKI, will offer an amendment with time not to exceed 30 minutes. Hopefully, maybe we can reduce that time, as well. I know some of our colleagues wanted to know the schedule. This vote will begin at 2:30, and if this amendment wins—and I hope it will; I hope our colleagues will support it—we will be voting on the amendment of the Senator from Maryland within 30 minutes.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

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

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from New Hampshire [Mr. GREGG], the Senator from Indiana [Mr. LUGAR], the Senator from Alaska [Mr. MURKOWSKI] and the Senator from Alaska [Mr. STEVENS] are necessarily absent.

Mr. FORD. I announce that the Senator from Arkansas [Mr. BUMPERS] and the Senator from Arkansas [Mr. PRYOR] are necessarily absent.

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

The result was announced—yeas 50, nays 44, as follows:

[Rollcall Vote No. 370 Leg.]

YEAS—50

Abraham	Exon	Lott
Ashcroft	Faircloth	Mack
Bennett	Ford	McCain
Biden	Frist	McConnell
Bond	Gorton	Nickles
Breaux	Gramm	Nunn
Brown	Grams	Pressler
Burns	Grassley	Reid
Coats	Hatch	Roth
Cochran	Hatfield	Santorum
Conrad	Heflin	Shelby
Coverdell	Helms	Smith
Craig	Hutchison	Thomas
D'Amato	Inhofe	Thompson
DeWine	Johnston	Thurmond
Dole	Kempthorne	Warner
Dorgan	Kyl	

NAYS—44

Akaka	Glenn	Mikulski
Baucus	Graham	Moseley-Braun
Bingaman	Harkin	Moynihan
Boxer	Hollings	Murray
Bradley	Inouye	Packwood
Bryan	Jeffords	Pell
Byrd	Kassebaum	Robb
Campbell	Kennedy	Rockefeller
Chafee	Kerrey	Sarbanes
Cohen	Kerry	Simon
Daschle	Kohl	Simpson
Dodd	Lautenberg	Snowe
Domenici	Leahy	Specter
Feingold	Levin	Wellstone
Feinstein	Lieberman	

NOT VOTING—6

Bumpers	Lugar	Pryor
Gregg	Murkowski	Stevens

So the amendment (No. 2153) was agreed to.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, I have an amendment that has been agreed to, and I ask unanimous consent that Senator MIKULSKI now be recognized to offer an amendment to the committee amendment, as amended, regarding "medically necessary" and that there be 30 minutes of debate equally divided in the usual form and that following the conclusion or yielding back of the time, the Senate proceed to vote on or in relation to the Mikulski amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Several Senators addressed the Chair.

AMENDMENT NO. 2227 TO THE COMMITTEE AMENDMENT ON PAGE 2, LINE 14, AS AMENDED

Ms. MIKULSKI. Mr. President, I send an amendment to the desk and ask for its consideration, and while the clerk is reporting the amendment, I would like the courtesy of the Senate to be in order.

Mr. President, the Senate is not in order, and I would really ask as a courtesy to me that all Senators take their seats.

The PRESIDING OFFICER. The Senate will be in order. The Senate will be in order. Take all conversations to the Cloakrooms, please.

Mr. NICKLES. Mr. President, the Senate is still not in order.

The PRESIDING OFFICER. The Senate will be in order so we can proceed, please.

The clerk will report.

The legislative clerk read as follows:

The Senator from Maryland (Ms. MIKULSKI) proposes an amendment numbered 1227.

At the end of the amendment add the following:

Notwithstanding the provisions of the preceding two sections, no funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverage for abortions.

The provision of section shall not apply where the life of the mother would be endangered if the fetus were carried to term, or that the pregnancy is the result of an act of rape or incest, or where the abortion is determined to be medically necessary.

Ms. MIKULSKI. Mr. President, the amendment that I am offering will guarantee that there will be coverage for women. This is a serious issue, and I do not want to raise it and I do not want to shout. I understand the desire to come to a closure.

Mr. President, the amendment I am offering will guarantee that there will be coverage for women under the Federal employees health benefit plan for abortion services that are medically necessary.

What is "medically necessary"? When a doctor decides using his or her trained professional judgment, in consultation with the patient, what will best protect the woman's health, this judgment is made based on the totality of the circumstances presented by the patient's situation.

We, the Senate, are not doctors. It is not our role to substitute our judgment for the judgment of trained medical professionals. With one exception, we do not have medical degrees. We do not have medical training. The Senate cannot write prescriptions. The Senate cannot elaborate on lab results. The Senate cannot conduct physical exams. The Senate cannot perform surgery. This body should allow doctors to do what they are trained to do. We should not second guess these judgments.

There are medical conditions which, when presented, increase risk to a woman's health during pregnancy. Cancer, diabetes, high blood pressure, kidney disease, cardiovascular disease, AIDS—these and other conditions are known to increase a woman's health risk. If she carries her pregnancy to term and her doctor concludes that an abortion is medically necessary to protect her health, should we, the Senate, make these judgments? Should we then substitute our judgment for that of a physician? Abortion is a complex, personal decision. It must be made by a woman in consultation with her physician.

This amendment will ensure that Congress does not intrude into that personal decision of what the woman and her physician believe to be medically necessary for her.

Reproductive health care, including abortion, is essential for women's health and well-being. Providing access to safe, legal abortions protects women's health.

The American Medical Association concluded that as access to safe, early, legal abortions becomes increasingly restricted, there is a likelihood there will be a small but measurable increase in mortality and morbidity among women in the United States.

That is what the AMA said. They are the doctors. That is what the doctors say. They say to deny access to abortion will harm the health of American women.

With the last vote the Senate already carved out exceptions to an absolute prohibition on abortion. We should, therefore, allow one more exemption, and that is where it is medically necessary.

That is what I am proposing. Congress should not substitute its political judgment for the judgment of health professionals.

Just keep this in mind. Unless the Mikulski amendment passes, if a woman is told by her doctor that she will be paralyzed for life if she carries the fetus to term, she will be unable to obtain an abortion.

Mr. President, I yield 3 minutes to the Senator from Pennsylvania.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I submit that the pending amendment is one which is very reasonable. Even those who stand very determined against a constitutional right of a woman to choose should have little trouble in accepting medical necessity as determined by the attending physician.

In earlier speeches today, I outlined my own view that what is happening in Congress today is an assault on the constitutional right of a woman to choose, and that we have had a veritable meltdown of women's rights as there have been limitations on abortions in military hospitals overseas, limitations on research, limitations on accreditation of medical schools where doctors in training should be given instruction on ob-gyn, and abortion. But in the example given by the distinguished Senator from Maryland, a woman who is about to be paralyzed certainly is in an extreme situation.

The Constitution of the United States has been interpreted by the Supreme Court, which is the final arbiter on the constitutional right of a woman to choose, and in a series of increments there has been a virtual meltdown of that right.

If this amendment is rejected, it will be also attacking the basic doctor-patient relationship and the determination of the doctor as to what ought to be done.

If there is no insurance coverage for a woman's health, what is the purpose of insurance coverage? And when Federal employees have this coverage, it is something that is bargained for.

It escapes me as to why anyone would think that it is really a subsidy when you have part of payment made by the individual employee and where you have the totality of the benefit as part of the bargained-for consideration for employment.

I think this is a minimal amendment and ought to be adopted.

The PRESIDING OFFICER. Who yields time?

Ms. MIKULSKI. Mr. President, I should really ask my colleagues, for any person who has a sense of honor and decency, please support this amendment. Let us leave the decision to the doctors and not to the Senate.

Mr. President, I do not expect any more speakers. I look forward to hearing the comments of the Senator from Oklahoma, and perhaps after he has concluded we might be able to yield back our time.

The PRESIDING OFFICER. Who yields time?

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I appreciate the cooperation of my friend and colleague from Maryland and I just inform my colleagues that it is my intention to yield back some time very quickly. So hopefully we will be voting in the next 5 minutes or so.

I might ask my friend and colleague from Maryland what "medically necessary" means. I will just ask the question. If a woman wanted to have an abortion and the doctor wanted to perform the abortion, is there any circumstance in which the Senator from Maryland would see that it is not medically necessary?

Ms. MIKULSKI. For a social reason, possibly an economic reason.

What I use, and what I believe the physicians also use, is the dictionary definition of "necessary":

> that which is essential, indispensable, or requisite in order to save the health of the mother.

Mr. NICKLES. Mr. President, I appreciate my colleague's explanation, but let me just give you an example. The National Abortion Rights League defines "medically necessary" as "a term which generally includes the broadest range of situations for which a state will fund abortion."

In testimony against implementation of the Hyde language, Dr. Jane Hodgson said, "In my medical judgment every one that is not wanted by the patient, I feel there is a medical indication to abort a pregnancy where it is not wanted * * * I think they are all medically necessary."

I am afraid that if we adopted the Senator's language, we would have no restriction whatsoever, none whatsoever. Someone could say: You have a headache. Therefore, yes, it is medically necessary.

There would be no restriction. It would greatly undermine the language which we just agreed to, the so-called Hyde language, which does allow abortion in those cases necessary to save the life of the mother or in cases of rape and incest.

I urge my colleagues to vote no on the amendment of the Senator from Maryland.

Mr. President, I am ready to yield the remainder of my time.

Ms. MIKULSKI. Mr. President, I am ready to yield the time as well.

The PRESIDING OFFICER (Mr. SANTORUM). The Senator from Maryland.

Ms. MIKULSKI. I would just comment that one example I can give that is not medically necessary is where someone would want an abortion for the purpose of sex selection.

So, Mr. President, having said that, I am prepared to again affirm medically necessary and yield back my time.

The PRESIDING OFFICER. The Senator yields back the remainder of her time.

Mr. NICKLES. Mr. President, I yield back the remainder of my time and ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

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

Mr. LOTT. I announce that the Senator from New Hampshire [Mr. GREGG], the Senator from Idaho [Mr. LUGAR], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from Alaska [Mr. STEVENS] are necessarily absent.

Mr. FORD. I announce that the Senator from Arkansas [Mr. BUMPERS] and the Senator from Arkansas [Mr. PRYOR] are necessarily absent.

The result was announced—yeas 45, nays 49, as follows:

[Rollcall Vote No. 371 Leg.]

YEAS—45

Akaka	Feinstein	Lieberman
Baucus	Glenn	Mikulski
Bingaman	Graham	Moseley-Braun
Boxer	Harkin	Moynihan
Bradley	Hollings	Murray
Bryan	Inouye	Packwood
Byrd	Jeffords	Pell
Campbell	Kassebaum	Robb
Chafee	Kennedy	Rockefeller
Cohen	Kerrey	Sarbanes
Conrad	Kerry	Simon
Daschle	Kohl	Simpson
Dodd	Lautenberg	Snowe
Dorgan	Leahy	Specter
Feingold	Levin	Wellstone

NAYS—49

Abraham	Faircloth	Mack
Ashcroft	Ford	McCain
Bennett	Frist	McConnell
Biden	Gorton	Nickles
Bond	Gramm	Nunn
Breaux	Grams	Pressler
Brown	Grassley	Reid
Burns	Hatch	Roth
Coats	Hatfield	Santorum
Cochran	Heflin	Shelby
Coverdell	Helms	Smith
Craig	Hutchison	Thomas
D'Amato	Inhofe	Thompson
DeWine	Johnston	Thurmond
Dole	Kempthorne	Warner
Domenici	Kyl	
Exon	Lott	

NOT VOTING—6

Bumpers	Lugar	Pryor
Gregg	Murkowski	Stevens

So the amendment (No. 2227) was rejected.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

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

The motion to lay on the table was agreed to.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, if I could have my colleagues' attention. I am informed by the managers they have done an outstanding job. They did not tell me they have done an outstanding job, but I am informed——

[Laughter.]

But they have. They have worked out a number of amendments, and they may be in a position to take any additional amendments to this bill and have a voice vote on final passage. We will have a rollcall vote then on the conference report. There is a standing request that we have a vote on the bill and, if not on the bill, on the conference report.

Also, as we speak, there are negotiations going on with Senator NUNN, Senator WARNER, Senator LEVIN, and Senator COHEN on an issue relating to the DOD authorization bill. We should have some information on that between now and a quarter of 4. If there is some resolution of that matter, plus I guess another one the Democratic leader mentioned, it might be possible to get an agreement on the remainder of the work on the DOD authorization bill.

If we are able to do that—we will not do that today—we will get the agreement today and finish the work on Monday or sometime when we have a little spare time next week during the welfare reform debate.

So if my colleagues can give us a little bit of time, we will be able to make an announcement about whether or not there will be additional votes today.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I have an amendment on behalf of myself, Senator MCCAIN, and others at the desk. I understand it will be accepted by the managers, and I ask that it be in order for me to call up the amendment.

VOTE ON COMMITTEE AMENDMENT ON PAGE 2, BEGINNING ON LINE 14, AS AMENDED

The PRESIDING OFFICER. If the Senator from Wisconsin will suspend. Is there further debate on the first committee amendment, as amended?

If not, the question occurs on agreeing to the first committee amendment, on page 2, beginning on line 14, as amended.

So the committee amendment, as amended, was agreed to.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that the pending committee amendment be temporarily laid aside.

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

AMENDMENT NO. 2228

(Purpose: To reduce the number of executive branch political appointees)

Mr. FEINGOLD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Wisconsin [Mr. FEINGOLD], for himself, Mr. MCCAIN, Mr. SANTORUM, and Mr. GRAMS, proposes an amendment numbered 2228.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 93, below line 13, insert the following:

(c)(1) None of the funds appropriated by this or any other Act may be obligated or expended by any Federal department, agency, or other instrumentality to employ, on or after January 1, 1996, in excess of a total of 2000 employees in the Executive Branch who are (i) employed in a position on the executive schedule under sections 5312 through 5316 of title 5, United States Code, (ii) a limited term appointee, limited emergency appointee, or noncareer appointee in the senior executive service as defined under section 3132(a)(5), (6), and (7) of title 5, United States Code, respectively, or (iii) employed in a position in the executive branch of the Government of a confidential or policy-determining character under Schedule C of subpart C of part 213 of title 5 of the Code of Federal Regulations.

(2) Notwithstanding the provisions of subsection (c)(1) of this section, any actions required by such section shall be consistent with reduction in force procedures established under section 3502 of title 5, United States Code.

Mr. FEINGOLD. Mr. President, I am pleased to join with my good friend, the Senator from Arizona [Mr. MCCAIN], along with the Senator from Pennsylvania [Mr. SANTORUM], and the Senator from Minnesota [Mr. GRAMS], in offering an amendment to reduce the number of political employees who are appointed by the President.

I understand the amendment will be accepted by the manager.

Specifically, the amendment caps the number of political appointees at 2,000, down from an estimated average of 2,800.

CBO estimates that this measure will save $363 million over the next 5 years.

Mr. President, as the cosponsorship of this amendment attests, this is a bipartisan proposal.

It has been endorsed by Citizens Against Government Waste, and it is similar to one of the assumptions the Budget Committee of the other body made in developing their concurrent budget resolution. It is also consistent with the recommendations of the Vice President's National Performance Review, which called for reductions in the number of Federal managers and supervisors, arguing that "over-control and micromanagement" not only "stifle the creativity of line managers and workers, they consume billions per year in salary, benefits, and administrative costs."

Mr. President, that assessment is especially appropriate with respect to political appointees.

Between 1980 and 1992, the number of political appointees grew by more than 17 percent, over three times as fast as the total number of executive branch employees. And since 1960, political appointees have grown by a startling 430 percent.

Mr. President, the exploding number of political appointees was a target of the 1989 National Commission on the Public Service, chaired by former Federal Reserve Board Chairman Paul Volcker.

As the Commission noted, Presidents must have the flexibility to appoint staff that are ideologically compatible. Political appointees can be important sources of fresh ideas, and can bring important experience from the private sector into an administration.

Equally as important, political appointees help ensure that Government responds to the policy priorities mandated by the electorate at the ballot box.

But, as the Volcker Commission found, far from enhancing responsiveness, the growing number of Presidential appointees "actually undermine effective presidential control of the executive branch."

The Commission noted that the large number of Presidential appointees simply cannot be managed effectively by any President or White House.

Altogether, the Volcker Commission argued that this lack of control and political focus "may actually dilute the President's ability to develop and enforce a coherent, coordinated program and to hold cabinet secretaries accountable."

The Commission found that the excessive number of appointees are a barrier to critical expertise, distancing the President and his principal assistants both from the most experienced career officials and the front line workers, often the best positioned to make critical assessments of Government policies.

Mr. President, the problem of distancing that was raised by the Volcker Commission has been chronicled by Paul Light in his book, "Thickening Government."

Light found that the increasing number of political appointees are arrayed in layer upon layer of management, layers that did not exist 30 years ago. He found that in 1960 there were 17 layers of management at the very top of Government, but by 1992, there were 32 layers.

Compounding the problem, Mr. President, Light notes that these 32 layers do not stack neatly one on top of the other in a unified chain of command. Some layers come into play on some issues but not on others.

Light asserts that "* * * As this sediment has thickened over the decades, presidents have grown increasingly distant from the lines of government, and the front lines from them."

He adds that "Presidential leadership, therefore, may reside in stripping government of the barriers to doing its job effectively * * *"

Mr. President, many will recall the difficulties the current administration has had in filling even some of the more visible political appointments.

A story in the National Journal in November 1993, focusing upon the delays in the Clinton administration in filling political positions, noted that in Great Britain, the transition to a new government if finished a week after it begins.

A speedy transition is possible because British Government runs on a handful of political appointees.

According to Paul Light, they have about one-tenth as many career executives and only five layers of management between the Minister and the British equivalent of the Deputy Assistant Secretary, compared to more than 16 layers here.

By contrast, the transition of U.S. administrations over the past 35 years has seen increasing delays and logjams, and perfectly illustrate another reason why the number of positions should be cut back.

The average length of time from inauguration to confirmation of top level executive positions has steadily risen from 2.4 months under President Kennedy, to 5.3 months under President Reagan, to 8.1 months under President Bush, to 8.5 months under President Clinton.

The consequences of having so many critical positions unfilled when an administration changes can be serious.

In the first 2 years of the Clinton administration, there were a number of stories of problems created by delays in making these appointments.

From strained relationships with foreign allies over failures to make ambassadorship appointments to the 2-year vacancy at the top of the National Archives, the record is replete with examples of agencies left drifting while a political appointment was delayed.

Obviously, there are a number of situations were the delays were caused by circumstances beyond control of the administration.

The case involving the position of Surgeon General of the United States is a clear example.

Nonetheless, it is clear that with a reduced number of political appointments to fill, the process of selecting

and appointing individuals to key positions in a new administration is likely to be enhanced.

Mr. President, let me also stress that the problem is not simply the initial filling of a political appointment, but keeping someone in that position over time. Between 1970 and 1986, the tenure of a political appointee was 20 months, even shorter for schedule C employees.

And in a report released last year, the General Accounting Office reviewed a portion of these positions for the period of 1981 to 1991, and found high levels of turnover—seven appointees in 10 years for one position—as well as delays, usually of months but sometimes years, in filling vacancies.

Mr. President, as I have noted before on this floor, this legislative proposal may not be popular with many people, both within this Administration and perhaps among member of the other party who hope to win back the White House in the next election.

I want to stress that I do not view efforts to reduce the number of political appointees to be a partisan issue. In making its recommendations, the nonpartisan Volcker Commission included the very proposal embodied in this amendment—capping political appointees at 2,000.

And, as I noted earlier, I am pleased that this amendment has bipartisan sponsorship.

Indeed, I think it adds to the credibility and merits of this proposal that a Democratic Senator is proposing to cut back these appointments at a time when there is a Democratic administration in place.

The amendment requires this President to reduce the number of political appointees, and would obviously apply to any further administration as well.

Mr. President, the sacrifices that deficit reduction efforts require must be spread among all of us. This measure requires us to bite the bullet and impose limitations upon political appointments that both parties may well wish to retain.

The test of commitment to deficit reduction, however, is not simply to propose measure that impact someone else.

Mr. President, as we move forward to implement the NPR recommendations to reduce the number of Government employees, streamline agencies, and make government more responsive, we should also right size the number of political appointees, ensuring a sufficient number to implement the policies of any administration without burdening the Federal budget with unnecessary, possibly counterproductive political jobs.

I thank the Chair, and I yield the floor.

Mr. MCCAIN. Mr. President, I am pleased to join Senators FEINGOLD and GRAMS in supporting this amendment.

The amendment would reduce the number of Presidential appointees from around 2,800 to 2,000.

The number of political appointees has been constantly increasing. Today there are between 2,800 and 3,000. There are approximately 570 to 580 Presidential appointees subject to Senate confirmation, 670 noncareer members of the Senior Executive Service, 100 Presidential appointees not subject to Senate confirmation, and over 1,700 personal and confidential assistants—also known as "schedule Cs."

Fifty years ago, President Roosevelt, ran the country for four terms, dealt with the Great Depression, and orchestrated a war with some 200 political appointees.

According to the Volker Report:

> From 1933 to 1965, during a period of profound expansion in government responsibilities, the number of cabinet and sub-cabinet officers appointed by the President and confirmed by the Senate doubled from 73 to 152. From 965 to the present, span when the total employment and programs were more stable, that number more than tripled to 573.

The Commission continues:

> Typically, the increase in presidential appointments has been justified as a way to prod or control reluctant bureaucrats, and to speed implementation of the President's agenda. Thus the operative question is not whether the current number of appointees is large or small, in absolute terms or in compared to the number of civilian employees. The real question is whether the proliferation has in fact made government more effective and more responsible to presidential leadership. The Commission concludes that the answer is NO.

Mr. President, I think that point is worth repeating. When this issue was studied by a distinguished, bipartisan group of experts, they concluded that the increased number of political appointees had not resulted in more effective and more responsive leadership.

The public believes that our Government is too large and that it is too politicized. This amendment begins to address that situation. It is clearly not the solution. It is only a small step, but an important step.

I also want to point out that this is not an amendment conceived by a Republican Congress to punish or hurt a Democratic Presidency. This amendment has bipartisan support. My friend from Wisconsin who introduced the amendment is from the same party as the President. And I hope to be in the same party of the President in 2 years. This amendment is about creating a better Government. It has nothing to do with politics.

Additionally, Mr. President, according to the Congressional Budget Office, adoption of this amendment would save approximately $363 million over the next 5 years. The savings for fiscal year 1996 alone would be $45 million.

These savings could be used for a much greater good than giving third and fourth tier campaign workers superfluous Federal jobs.

Mr. President, this is a simple amendment. It will save money and result in a more streamlined executive branch. It should be adopted.

Mr. GRAMS. Mr. President, I rise today as a cosponsor of the McCain amendment to the Treasury Postal appropriations bill. This amendment would cap the number of Presidential political appointees, or schedule C's, at 2,000, down from the current average of 2,800.

Overall, the Treasury Postal appropriations bill goes a long way toward fulfilling our promise of deficit reduction to the American people. Senator SHELBY should be commended for weeding out excessive and duplicative layers of bureaucracy from the Treasury Department, Postal Service, Executive Office of the Presidency, and several independent agencies. The result is an appropriations bill that is $42 million below the House appropriation for 1996, $367 million below the level enacted for 1995, and $1.8 billion below Clinton's budget request.

But the McCain amendment would make this bill even better for at least two reasons.

In terms of deficit reduction, CBO estimates that limiting the number of political appointees to 2,000 would save $363 million over the next 5 years. This degree of deficit reduction will contribute to greater economic benefits for all Americans, with lower interest rates stimulating investment, economic growth, and jobs.

In addition to the monetary savings this amendment would generate, capping the number of political appointees in the executive branch would help make Government run more efficiently and productively. In fact, back in 1989, the Commission on Public Service, led by former Federal Reserve Board Chairman Paul Volcker, recommended limiting the number of political appointees to 2,000.

Even more recently, Vice President Gore's National Performance Review recommends a reduction in the number of political appointees, arguing that "overcontrol and micromanagement * * * stifle the creativity of line managers and workers * * * [and] consume billions [of dollars] per year in salary, benefits, and administrative costs." As a bipartisan solution, the McCain amendment fits in with reform strategies advocated at both ends of the political spectrum.

I urge my colleagues to support the McCain amendment. Your vote will be a vote for greater Government efficiency, deficit reduction, and good economic sense.

Mr. SHELBY. Mr. President, we have conferred with the Senator from Wisconsin and the ranking Democrat, Senator KERREY. We accept the amendment.

Mr. MCCAIN. I thank the Senator from Wisconsin for this amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

The question is on agreeing to the amendment.

The amendment (No. 2228) was agreed to.

AMENDMENT NO. 2229

(Purpose: To prohibit the use of funds to take certain actions with respect to the exchange stabilization fund)

Mr. D'AMATO. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New York [Mr. D'AMATO], for himself, Mr. DOLE, Mr. HOLLINGS, Mr. FAIRCLOTH, Mr. GRAMS, Mr. HELMS, Mr. MURKOWSKI, and Mr. DOMENICI, proposes an amendment numbered 2229.

Mr. D'AMATO. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place, insert the following new section:

Sec. . LIMITATION ON USE OF FUNDS FOR THE PROVISION OF CERTAIN FOREIGN ASSISTANCE.

(a) IN GENERAL.—Notwithstanding any other provision of law, none of the funds made available by this Act for the Department of the Treasury shall be available for any activity or for paying the salary of any Government employee where funding an activity or paying a salary to a Government employee would result in a decision, determination, rule, regulation, or policy that would permit the Secretary of the Treasury to make any loan or extension of credit under section 5302 of title 31, United States Code, with respect to a single foreign entity or government of a foreign country (including agencies or other entities of that government)—

(1) unless the President first certifies to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking and Financial Services of the House of Representatives that—

(A) there is no projected cost (as that term is defined in section 502 of the Federal Credit Reform Act of 1990) to the United States from the proposed loan or extension of credit; and

(B) any proposed obligation or expenditure of United States funds to or on behalf of the foreign government is adequately backed by an assured source of repayment to ensure that all United States funds will be repaid; and

(2) other than as provided by an Act of Congress, if that loan or extension of credit would result in expenditures and obligations, including contingent obligations, aggregating more than $1,000,000,000 with respect to that foreign country for more than 180 days during the 12 month period beginning on the date on which the first action is taken.

(b) WAIVER OF LIMITATIONS.—The President may exceed the dollar and time limitations in subsection (a)(2) if he certifies in writing to the Congress that a financial crisis in that foreign country poses a threat to vital United States economic interests or to the stability of the international financial system.

(c) EXPEDITED PROCEDURES FOR A RESOLUTION OF DISAPPROVAL.—A presidential certification pursuant to subsection (b) with respect to exceeding dollar or time limitations in subsection (a)(2) shall be considered as follows:

(1) REFERENCE TO COMMITTEES—All joint resolutions introduced in the Senate to disapprove the certification shall be referred to the Committee on Banking, Housing and Urban Affairs, and in the House of Representatives, to the appropriate committees.

(2) DISCHARGE OF COMMITTEES.—(A) If the committee of either House to which a resolution has been referred has not reported it at the end of 30 days after its introduction, it is in order to move either to discharge the committee from further consideration of the joint resolution or to discharge the committee from further consideration of any other resolution introduced with respect to the same matter, except no motion to discharge shall be in order after the committee has reported a joint resolution with respect to the same matter.

(B) A motion to discharge may be made only by an individual favoring the resolution, and is privileged in the Senate; and debate thereon shall be limited to not more than 1 hour, the time to be divided in the Senate equally between, and controlled by, the majority leader and the minority leader or their designees.

(3) FLOOR CONSIDERATION IN THE SENATE.—(A) A motion in the Senate to proceed to the consideration of a resolution shall be privileged.

(B) Debate in the Senate on a resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than 4 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(C) Debate in the Senate on any debatable motion or appeal in connection with a resolution shall be limited to not more than 20 minutes, to be equally divided between, and controlled by, the mover and the manager of the resolution, except that in the event the manager of the resolution is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(D) A motion in the Senate to further limit debate on a resolution, debatable motion, or appeal is not debatable. No amendment to, or motion to recommit, a resolution is in order in the Senate.

(4) In the case of a resolution, if prior to the passage by one House of a resolution of that House, that House receives a resolution with respect to the same matter from the other House, then—

(A) the procedure in that House shall be the same as if no resolution had been received from the other House; but

(B) the vote on final passage shall be on the resolution of the other House.

(5) For purposes of this subsection, the term "joint resolution" means only a joint resolution of the 2 Houses of Congress, the matter after the resolving clause of which is as follows: "That the Congress disapproves the action of the President under section (b) of the Treasury and Post Office Appropriations Act for Fiscal Year 1996, notice of which was submitted to the Congress on .", with the first blank space being filled with the appropriate section, and the second blank space being filled with the appropriate date.

(d) APPLICABILITY.—This section—

(1) shall not apply to any action taken as part of the program of assistance to Mexico announced by the President on January 31, 1995; and

(2) shall remain in effect through fiscal year 1996.

Mr. D'AMATO. Mr. President, this amendment deals with the utilization of the Exchange Stabilization Fund. This amendment does not deal with Mexico specifically. It is the result of what we have learned from the Mexican crisis and the manner in which those funds have been used. This amendment attempts to deal with what I believe is Congress' absolute responsibility. That is to say, if we are going to make American taxpayers' funds available, there should be a process which gives to the Congress the ability to be involved in that decision.

Let me give you the four main provisions. First, before using ESF, the President must certify that there was no cost to the U.S. taxpayers and that repayment of the ESF funds is guaranteed.

Second, congressional approval is required before using more than $1 billion of ESF funds for more than 6 months in any 1 year to a single foreign country.

Third, in extreme circumstances, the President may exceed these limits if he certifies that there is a threat to vital U.S. economic interests or the stability of the international financial system.

Fourth, Congress may disapprove of the emergency certification on an expedited basis.

Mr. President, I have conferred with Senator DODD and others and we are all in agreement with this amendment.

Mr. President, since February, I have repeatedly expressed my concern about the President's decision to circumvent Congress to bail out Mexico. Billions of taxpayer dollars were wasted, put in jeopardy, and may ultimately be lost, because the President used the Exchange Stabilization Fund—the ESF—in an unprecedented action to bail out global speculators.

We must make sure that this never happens again. This amendment is designed to protect the American taxpayers and reassert congressional control and responsibility over the ESF. I am very pleased that Majority Leader DOLE, and Senators HELMS, HOLLINGS, FAIRCLOTH, MURKOWSKI, DOMENICI, and GRAMS, are cosponsors of this amendment.

Mr. President, let me briefly explain my amendment. First, when using ESF funds, the President would be required to certify that there is no cost to the U.S. taxpayers from the proposed transaction and that repayment of the ESF funds is guaranteed. Earlier this year, Congress approved this same certification requirement for ESF funds sent to Mexico.

Second, this amendment would impose a $1 billion 6-month cap on the

Secretary's unrestricted ability to use ESF funds. When the Secretary wants to provide more than $1 billion to a single foreign country for longer than 6 months, Congress will be forced to take action.

Mr. President, I want to make clear that this amendment does not overturn the President's bailout of Mexico. Instead, this amendment restores the proper role of Congress in future economic crises in foreign countries.

We must learn from the Mexican crisis. Although reasonable people may disagree about the wisdom of the President's Mexican bailout, there can be no doubt that the ESF should not be used to provide foreign aid.

Mr. President, the time has come to make sure that Presidents cannot circumvent Congress through the ESF to provide foreign aid. This amendment is the first step. The Constitution expressly provides that Congress must approve appropriations, including foreign aid. It is spelled out in article 1, section 9: "No money shall be drawn from the Treasury, but in consequence of Appropriations made by Law."

The Treasury Department has acknowledged that the ESF can't be used for foreign aid. I quote from a recent opinion to Treasury Secretary Robert Rubin, from the Treasury Department's general counsel: "Although loans and credits are clearly permitted under the ESF, their purpose must be to maintain orderly exchange arrangements and a stable system of exchange rates, and not to serve as foreign aid." This is clear. The ESF can't be used by the administration as a foreign aid piggy bank.

Mr. President, the administration's use of the ESF to bail out Mexico was completely unprecedented and went well beyond any previous use of the ESF. The ESF was established over 60 years ago, and until this bailout, it operated without controversy and in compliance with its original purpose—supporting the dollar and maintaining orderly exchange arrangements. But this small fund, which was rarely mentioned and relatively unknown, quietly grew into a $40 billion slush fund that is beyond congressional control.

Mr. President, in the Mexican bailout, the administration ignored all precedent and recognized use of the ESF. Prior to the Mexican bailout, the largest loan to a foreign country from the ESF was $1 billion to Mexico in 1982—and that loan was for just 10 days. Another loan to Mexico in 1982, for 6 months, was the longest loan in the history of the ESF.

But this year, the administration committed $20 billion of American taxpayer dollars to Mexico for loans and securities guarantees extending up to 10 years. And the administration took this unprecedented action without a single vote of Congress. I want to emphasize again: $20 billion to a foreign country for 10 years without a single vote of Congress. That was not the purpose of the ESF—that was foreign aid, pure and simple.

Mr. President, my amendment would reassert Congress' rights and responsibilities over the ESF. And this amendment would restore the ESF to its original purpose—short-term stabilization of the dollar. American taxpayers' money in the ESF should not, and must not, be used as foreign aid.

I would also like to address the apparent lack of cooperation by the administration with the House leadership. I refer my colleagues to the abundant correspondence between Speaker GINGRICH and the White House that details the problems with, and the potential violations of, the Mexican Debt Disclosure Act. This correspondence is available from my office. The recent vote in the House on Congressman SANDERS' ESF amendment clearly illustrates the frustration and outrage felt by Congress and the American people toward the Mexican bailout and the President's use of the ESF.

Mr. President, I fully recognize that the ESF is an important tool in these times of rapidly changing and turbulent financial markets. This amendment would not limit, in any way, the Secretary's ability to use the ESF to stabilize the dollar. The ESF was designed to protect the dollar, not the Mexican peso or any other foreign currency. This amendment will simply reassert Congress' control over the ESF while restraining the Secretary's unchecked ability to spend taxpayer dollars.

We must not allow ESF to be used to circumvent Congress' constitutional authority to appropriate funds and provide foreign aid. Congress is the peoples' voice and the administration must not turn its back on the people ever again.

Mr. SHELBY. Mr. President, Senator KERREY and I have reviewed the amendment and statement by Senator D'AMATO. We will agree to the amendment.

Mr. DODD. Mr. President, I rise to express my support for the proposal that our colleague from New York has fashioned. I think this provision strikes a good balance between the prerogative of the Congress and the responsibilities of the executive branch.

I believe a little background on the issue we are dealing with might be useful for our colleagues. This amendment relates to the Exchange Stabilization Fund which was created by the Congress more than 60 years ago—in 1934. Throughout that 60-year period, it has been used prudently in dealing with currency-related matters.

I know that the recent use of this fund for Mexico has brought it to the attention of our colleagues. Without question the $20 billion assistance effort extended to Mexico is without precedent in the history of the Exchange Stabilization Fund. Prior to that instance, the largest single use of the fund occurred in 1982 when Mexico was confronted with another currency crisis. On that occasion the fund extended a very brief extension of credit totaling $1 billion.

Much has changed in world financial markets since 1982. There has been an explosion of growth of these markets. In 1982, for example, the world equity market totalled $ 2.73 trillion. By 1993 that market had grown more than 500 percent to $14 trillion. This is just one indicator of the magnitude of capital flows that can occur in crisis situations—virtually overwhelming most domestic exchange markets. I believe that these factors should be taken into account in making a judgment about the recent use of the Exchange Stabilization Fund.

The Senator from New York has felt very strongly that the Exchange Stabilization Fund should not be a secret foreign aid spigot. Our colleague from New York is correct about that. This was not its intended purpose. I am not suggesting, or is our colleague from New York, that has been the case.

The President made no secret of his intention to assist Mexico in its effort to address its financial crisis. To the President's credit, he came to the Congress first, and asked us to be involved. For reasons we do not need to go into today, that did not work out. The President recognized that Congress was not going to be able to respond in a timely fashion. Senator DOLE, the majority leader, and the Speaker of the House of Representatives, NEWT GINGRICH, recognized that as well. They joined with the President and endorsed his decision to utilize the authorities of the Exchange Stabilization Fund to assist Mexico.

Senator D'AMATO's amendment will enable the Congress to respond more effectively to any future crises of this nature, if it so decides to involve itself.

For these reasons, I support the amendment of the Senator from New York. I think this is a good proposal.

Mr. DOMENICI. Mr. President, I congratulate Senator D'AMATO on this amendment. I really believe it came as a great surprise to many Senators—perhaps all but him—that this fund was around there and could be used. I think the time has come for us to set some legislative limitations on its use, because it is a very vital fund for its originally intended purposes.

Therefore, as in years past, we will be grateful that it will start to accumulate again. And clearly we will not use it without Congress understanding its use, unless it be in a minor amount of dollars. I think that is good for the future of the strength of our dollar, and that we stabilize other currencies around the country, which has become a vital part of our dollar valuation.

Mr. BENNETT. Mr. President, I want to join in congratulating the chairman of the Banking Committee for the way in which he handled this issue. He was courteous enough to talk with me about it some days—even weeks—ago. We have been negotiating back and forth on this as to what we thought would be the best way to do this. The way he has ultimately decided to do this, I think, demonstrates his willingness to be open to suggestion—his willingness to accept changes that are suggested.

I not only congratulate him on this amendment, I look forward to hearings on this issue before the Banking Committee, because we recognize that this particular amendment will run out after one fiscal year. And we probably need to have hearings to discuss the underlying issue. Is $1 billion the right number for the long term? Should it be 5, 10, 2, or 6? Is 6 months the right number of months? I think for the time limit, set in this amendment, the Senator has made the right choice. I encourage him to look for a long-term solution to this issue and to schedule hearings. I look forward to participating in those.

Mr. DODD. Mr. President, I commend our colleague from Utah, as well. He has been very involved in this from the very beginning and has offered very good, sound advice on how to proceed. I know our colleague from New York agrees with that, as well. Also, I make the point that I happen to believe—and I think most of our colleagues agree here—that the Secretary of the Treasury has done a good job. He had a very difficult problem to grapple with and he handled it very well.

As I pointed out earlier, we were faced with the difficult situation of the Congress being unable to act quickly and with very few other alternatives for responding to the Mexican problem.

I think we have gone through a good process over the spring. Treasury officials, the Chairman of the Federal Reserve Board, Alan Greenspan, and other experts have come up to talk about this. I think all of these discussions have had a beneficial affect on the conduct of this entire process.

We do not want to discourage this administration or future ones from responding decisively to crises like that which confronted us with respect to Mexico. I don't believe this provision does that. Rather, it makes the Congress more a part of that process. Heretofore, We did not have the mechanism for being a part of the process. Now we will during fiscal year 1996.

I thank my colleague for yielding and congratulate him on his efforts.

Mr. D'AMATO. I thank Senator DODD. I thank my colleagues from Utah and New Mexico for their kind words, also. I do believe that Congress, by not becoming part of the process, shares the responsibility and onus in not doing so. Congressional involvement is part of our oversight, and it should be. Hopefully, this legislation will lead to a permanent manner in which to bring us into the process, and if we choose not to, so be it. But I think we should be part of that process.

I thank all of my colleagues for the suggestion and their help in bringing us to this point.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 2229) was agreed to.

Mr. DODD. I move to reconsider the vote.

Mr. D'AMATO. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2230

(Purpose: To provide funding for the Advisory Commission on Intergovernmental Relations, and for other purposes)

Mr. KEMPTHORNE. I want to thank the managers of this bill for the hard work they have undertaken. I want to acknowledge that this Congress, Members of this Senate, and Members of the House of Representatives this year established something that is quite remarkable. This Congress will be known for establishing the mechanism to stop unfunded Federal mandates, something talked about for years. It has been accomplished. It was accomplished with the passage of Senate bill 1 which received 90 percent positive vote in the Senate and 90 percent positive vote in the House of Representatives.

Most of the legislation is prospective, dealing with future mandates. That does not mean that our job is finished. What about the existing mandates that have been burdening local and State governments for years?

A key provision in the Senate bill was title 3 which said we are going to take a look at all of the existing mandates and determine which of those may be duplicating the cost, which of those are obsolete, which of those do not make sense and ought to be taken off the books entirely. That report is to be accomplished by April 1 of next year, not a great deal of time to get that accomplished.

We designated in that legislation that the Advisory Commission on Intergovernmental Relations would be charged with that task. They have been working on it ever since Senate bill 1 became law.

What is the result of that? A letter from the Advisory Commission stated on August 3 they are making progress on the mandate study, they have already met the first two deadlines and expect to meet the remainder as well. They have already approved criteria published in the Federal Register July 6 of this year and a report on court rulings involving State and local government which was officially transmitted to the President and the Congress, and a copy of which is attached.

I raise this, Mr. President, because the House of Representatives in their companion legislation to this took an unusual action, in my estimation. The House determined that while we have already launched this effort, while we have already asked a Commission comprised of Members of the U.S. Senate, Members of the U.S. House of Representatives, Governors, mayors, members of State legislatures, county officials, the executive branch and private citizens, they now say, "Stop, we do not think this group ought to do this task."

They say, "We would like to provide funds of $334,000 to the Office of Management and Budget to carry out this task." I do not understand that, Mr. President. I do not understand the wisdom of saying that this group, which is the exact group that helped us pass the efforts to stop unfunded mandates, should not be the one tasked with coming up with the review of existing mandates, but instead we would like to have the Office of Management and Budget take on this task.

Now, we discussed this again in Senate bill 1. The House set up a different commission now. Again, we have looked at the same type of commission when we discussed in Senate bill 1. An amendment was offered by the Senator from North Dakota, Senator DORGAN, which said that this is the group that ought to do the job, and in a vote of 88–0 this Senate said that is correct, this is the group.

Yet now we have the committee that has come forward with their legislation, and they say we concur with the House. We believe that the funds that were dedicated to this group for that cause ought to be given to the Office of Management and Budget. Again, I totally disagree with that.

This amendment, Mr. President, says that this group, the Advisory Commission on Intergovernmental Relations, will be allowed to finish the job, and it provides the funds up through April 1 to complete that task. At that point, no further funds would be made available to this group.

The idea of telling the very people that are impacted most by unfunded mandates that for some reason we do not want the report from them, we would rather have it from the Federal Government that has been imposing unfunded mandates for years, does not make sense to me.

That is the essence of the amendment, Mr. President. I yield the floor.

Mr. GLENN. Mr. President, I rise in strong support of the Kempthorne-Dorgan amendment. If we do not pass this, I think we could be looked at as once again doing something half-baked and ill-considered in the Congress that just leaves people sick when they look at it.

What we are doing is giving a job and at the same time we are cutting off the money to do the job, if we do not pass this amendment. It just makes us look silly. I compliment my friend from Idaho for picking this up and doing something about it.

As he said, earlier this year we enacted the Unfunded Mandates Reform Act. This is historic legislation. We desired to bring balance to our system of Federalism. It was a bipartisan effort. As we all know, we worked many long hours here on the floor of the Senate for almost 2 weeks full time, morning to night, and we ultimately passed the Senate by a vote of 91 to 9. Huge support, both sides of the aisle.

It deals primarily with future mandates on both the public and private sectors. It sets up a process of consideration and analysis whereby we would have a better understanding of the cost and impact of Federal mandates in both the legislative and regulatory process.

S. 1 requires cost estimates to be made. Cost estimates of legislation by the Congressional Budget Office, and cost benefit analysis of regulations by the agencies.

Now, title 3 of S. 1 sets up a series of studies on the impact of existing—big difference—existing regulatory and legislative mandates on State and local governments, and to make recommendations on how to reduce the burdening and improve the flexibility of these mandates.

Title 3 tasks this responsibility, as the Senator from Idaho said, to the Advisory Commission on Intergovernmental Relations. We authorized $500,000 each year for fiscal year 1995 and 1996 for them to carry out their responsibilities under the act. We expect to get back far more than that $500,000 for each year in the increased efficiencies that we will have result from the studies they will do.

Unfortunately, the question is zeroed out of the ACIR, provided no appropriation to complete the studies required under S. 1. We gave them a job and cut their budget to do it, which is just a bit idiotic. Once again, the left hand does not know what the right hand is doing. It just makes us look foolish because it is foolish. What the Senator from Idaho is doing is correcting that situation.

I understand about half of ACIR's budget comes from Federal appropriations. The rest comes from State and local governments and from the sale of publications and services.

I also realize by fiscal year 1997, ACIR is hoping to become fully self-sustained, no longer reliant on Federal funds. That is good. I am glad they are moving in that direction.

ACIR tells us they do need $334,000 in order to complete the studies that we in Congress required of them to carry out S. 1. If we do not provide these funds, what we are doing is saying we have set up here another unfunded mandate with the group that was supposed to be looking into unfunded mandates. We will not even have the people out there to do that. Ultimately, they will not be able to do the studies and make the needed recommendations.

I believe we should live up to the commitments we made when we enacted S. 1. I do not think there is objection to this. I hope we have full support for it and can do it unanimously. I urge my colleagues strongly to support the Kempthorne-Dorgan amendment. I thank my colleague from Idaho.

Mr. KEMPTHORNE. Mr. President, may I acknowledge and thank the Senator from Ohio, Senator GLENN, who is a strong partner in bringing about Senate bill 1. It was a bipartisan effort. The same bipartisanship is alive and well. We should keep it going.

Mr. SHELBY. Mr. President, Senator KERREY and I have conferred with Senator KEMPTHORNE, Senator GLENN, and others, and we are willing to accept the amendment.

Mr. KERREY. Mr. President, our side is willing to accept the amendment as well. The ACIR will have the same happy ending and continue the same work started by Senator GLENN and Senator KEMPTHORNE. I appreciate their hard work and effort.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Idaho [Mr. KEMPTHORNE] for himself, Mr. GLENN, and Mr. DORGAN, proposes an amendment numbered 2230.

On page 29, line 12, strike out "$55,907,000," and insert in lieu thereof "$55,573,000,".

On page 33, insert between lines 1 and 2 the following:

ADVISORY COMISSION ON INTERGOVERNMENTAL RELATIONS

SALARIES AND EXPENSES

For necessary expenses of the Advisory Commission on Intergovernmental Relations to carry out the provisions of title III of the Unfunded Mandates Reform Act of 1995 (Public Law 104-4), $334,000; *provided*, that upon the completion of the Final Report required by such title, no further Federal funds shall be available for the Advisory Commission on Intergovernmental Relations.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 2230) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. THOMPSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

AMENDMENT NO. 2231

(Purpose: To provide that no increase in the rates of pay for Members of Congress shall be made in fiscal year 1996, and for other purposes)

Mr. THOMPSON. Mr. President, I send an amendment to the desk on behalf of myself and Senator DOMENICI, the Senator from New Mexico, and ask for its immediate consideration.

The PRESIDING OFFICER. If there is no objection, the committee amendments are set aside.

It is so ordered, and the clerk will report.

The assistant legislative clerk read as follows:

The Senator from Tennessee [Mr. THOMPSON], for himself, Mr. DOMENICI, Mr. PRESSLER, Mrs. HUTCHISON, Mr. D'AMATO, Mr. ABRAHAM, Mr. DEWINE, Mr. ASHCROFT, Ms. SNOWE, Mr. MCCAIN, and Mr. GRASSLEY proposes an amendment numbered 2231.

At the appropriate place in the bill, insert the following new section:

SEC. . Notwithstanding any other provision of law, no adjustment shall be made under section 601(a) of the Legislative Reorganization Act of 1946 (2 U.S.C. 31) (relating to cost of living adjustments for Members of Congress) during fiscal year 1996.

Mr. THOMPSON. I also ask unanimous consent the following Senators be listed as cosponsors to this amendment. In addition to Senator DOMENICI and myself, Senator PRESSLER, Senator HUTCHISON, Senator D'AMATO, Senator ABRAHAM, Senator DEWINE, Senator ASHCROFT, Senator SNOWE, Senator MCCAIN, and Senator GRASSLEY.

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

Mr. THOMPSON. For several months now this body has debated many fundamental issues facing this country. While we still disagree on many of these issues, there are certain truths that are becoming readily apparent. One is that we must get our fiscal house in order in this country if we are to avoid national bankruptcy and preserve the country that we have known.

It is true, it has been said often—and it cannot be said too often—that our national debt and interest on that debt are strangling us. We cannot sustain deficits endlessly in the future at the rate we have. It will have its effects on savings, a detrimental effect on interest rates, and ultimately the long-term growth of this country. We will be leaving a legacy of higher interest rates and a lower standard of living to future generations.

We are coming to agree on this basic general principle during these debates, and I think we are in the beginning stages, finally, of facing up to these problems. We have now passed a balanced budget resolution—which will lead us to a balanced budget in the year 2002—for the first time in decades in this country. The President has now acknowledged the seriousness of this problem. We have a great opportunity, I think, to work together to solve this problem. Although we may differ on the means by which we solve it, I think we can certainly agree on the end that we must all work toward.

I think we are also becoming more honest with the American people. I think it is clearer every day. People

are beginning to realize if we are to solve this problem, we cannot have everything exactly as we have had it in years past. Sooner or later, we are going to all have to make some sacrifices for the sake of our country.

We have seen this in nondiscretionary spending items, where we have come to realize we cannot continue to have growth in some of these programs at multiples of 10 percent a year. We have begun to address the question of cost-of-living increases. Some of our citizens have now had delays in those. Others, such as Federal workers, will be having to face up to this.

Many of us who are concerned about our national defense and the fact that seemingly every time we have a major engagement in this country we become complacent, we do not keep our appropriations up. And we are faced with that situation, perhaps, again.

But the point is that all of us are suddenly realizing everybody is going to have to pitch in. Nobody is going to get all of what they want. We are going to have to make sacrifices across the board. I feel there are very few Americans who are not willing to help, as long as they feel they are being treated fairly and there is an across-the-board addressing of the problem.

The amendment Senator DOMENICI and I offer today is based upon the simple proposition that while we are asking the American people and leading the American people toward addressing these problems and making these adjustments, we do the same thing with regard to ourselves. We certainly should not be having automatic cost-of-living increases for this body during this particular period of time. Automatic pay increases, where we do not even have to vote on them, stick in the craw of the American people, and it is destructive to what we are ultimately trying to do here in this body.

Some people will say we are not going to save all that much money by freezing the automatic cost-of-living increase for the year 1996, that it is largely symbolic. Our response to that is that symbolism is important. It is somewhat ironic that we are the body that has to lead the American people, the Congress. We have to lead the American people toward these difficult choices, but we are a body not held in high regard by the American people. So we must do what we need to do to put ourselves in a position of leadership. In order for us to be able to deliver a message to the American people and have it be credible, the messenger is going to have to have more credibility.

Mr. President, I think we have begun to demonstrate to the American people that this body is willing to do its part. We have seen we have faced up to the problems of gifts and the problems of free trips we have had in this body in the past. We have seen one of the first thing we did in this session of Congress was to apply the laws to ourselves that have, for so many years, been applied to the American people. We are going to be facing up to the pension issues which will bring us more into line with other Federal employees and other people in the private sector.

So turning down an automatic cost-of-living increase this year, I think, is a part of that overall, very important picture. We are going down the right road now, and I am delighted to see this amendment is going to be, apparently, agreed to, and we are not turning back at this stage.

With that, I yield to the Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I want to assure the majority leader, from everything I understand, we are not going to speak very long—very long in addition to what has already been said. He need not worry about filing a cloture motion or anything like that. The only speakers I think are Senator HUTCHISON and myself.

I ask unanimous consent Senator DOLE be added as a cosponsor of this amendment.

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

Mr. DOMENICI. I ask unanimous consent that this amendment be open until the Senate close today for additional cosponsors who might want to join it.

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

Mr. DOMENICI. Mr. President, I join with Senator THOMPSON in a very simple amendment. I think it is very basic, it is very fair. It is the thing we ought to do.

We are in the midst of a great change. Part of that change is to get the Federal deficit under control and make Government smaller. In doing that, we are asking a lot of people to sacrifice and we are asking that a lot of programs be restrained, some cut, some eliminated. I think we must send the right signal to the American people. We must say to them we are also willing to restrain ourselves in a way that reminds us that we are in an era of restraining the budget.

I think the best way to do that is to say we are not going to have any pay raises for Members of Congress in 1996.

The budget resolution said we would not do that for 7 years. We cannot do that today for 7 years. I am not sure that we should. But we take it 1 year at a time, and for now we are saying, consistent with the budget resolution and our affirmations as we all voted with that—that we want to get the deficit under control and be fair—wherein we said let us not have any pay raises, we are saying that is what we want to do. No pay raises for 1996 for Members of Congress.

I thank the Senator from Tennessee for offering this amendment. It is a privilege to be his cosponsor. I think the managers are doing the right thing in accepting it. It probably will become law, thanks to Senator THOMPSON's efforts, and I think the public deserves that this year.

I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I appreciate the leadership of the Senator from Tennessee, Senator THOMPSON, and the Senator from New Mexico, Senator DOMENICI.

Senator DOMENICI, in the budget resolution, provided that there would be no increases in salaries of Members of Congress until this budget is balanced. I think that is a fair contract with the American people.

Senator THOMPSON today is implementing that decision and we must do it in every appropriations bill that comes forward. That is necessary for us to show that we are going to do what every American is doing when times are hard.

By freezing the salaries, we can contribute to this ending of the budget deficit so that our children and grandchildren will have a chance to grow up with the kinds of childhoods we have been able to grow up in and love in America.

So I thank the Senator from Tennessee. I thank the Senator from New Mexico and our leader for making sure that we are going to do the right thing.

You have seen, the American people have seen, Mr. President, you have seen in the last few weeks and days and hours how hard it is for us to make the necessary cuts to do what is right for America. But we are going to do it. We are showing that we are going to do it, that we have the commitment, that we have the tenacity, that we have the will to do what is right, no matter how hard it is, so that our children will be able to inherit an America that is free from debt at some point in their future so that they will not have to pay taxes so onerous that they will not have the quality of life that we enjoy today.

Thank you, Mr. President. I thank the Senator from Tennessee.

Mr. DOMENICI. Mr. President, I ask unanimous consent that Senator THURMOND be added as a cosponsor.

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

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. Mr. President, Senator KERREY, the ranking Democrat on the subcommittee, and I have agreed to take this amendment.

Mr. KERREY. Mr. President, while it is true that we have already spent the money, I accept the amendment.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. BROWN. Mr. President, I ask unanimous consent that my name be added as a cosponsor of the amendment.

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

Mr. BROWN. Mr. President, an essential element of leadership is to lead by example. I think this does that.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Tennessee.

The amendment (No. 2231) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. THOMPSON. Mr. President, I ask unanimous consent that the Senator from Pennsylvania, Senator SANTORUM, be added as a cosponsor.

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

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, I wanted to indicate that there will be no more rollcall votes today. We have already notified the cloakrooms in case somebody was not notified. We will complete action on this bill.

I wanted to congratulate the managers. Getting it done in one day is, I think, an outstanding accomplishment.

Then we will go back to the DOD authorization bill with the managers dealing with about 20 to 30 amendments that have been cleared. So following disposition of this bill, we will go back to the DOD authorization bill. It will probably take about 30 or 40 minutes to do that.

AUTHORITY FOR ENROLLING CLERK

Mr. SHELBY. Mr. President, I ask unanimous consent that the enrolling clerk be authorized to insert the Nickles amendment No. 2153 at the appropriate place in the bill.

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

COMMITTEE AMENDMENTS AGREED TO EN BLOC

Mr. SHELBY. Mr. President, I also ask unanimous consent that the committee amendments to H.R. 2020 be considered and agreed to en bloc.

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

So the committee amendments were agreed to en bloc.

Mr. SHELBY. Mr. President, I ask unanimous consent that no points of order be waived thereon and that the measure, as amended, be considered as original text for the purpose of further amendment.

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

AMENDMENTS NOS. 2232 THROUGH 2251

Mr. SHELBY. Mr. President, I send a group of amendments which have been cleared to the desk.

Mr. President, these amendments are as follows:

An amendment on behalf of myself and Senator KERREY to increase the limitation of funds the Secret Service can spend to secure nongovernmental properties; an amendment on behalf of Senator STEVENS pertaining to mail delivery in Alaska; an amendment on behalf of Senators D'AMATO and MOYNIHAN transferring a forfeited aircraft to a war museum; an amendment on behalf of Senators FORD and MCCONNELL prohibiting implementation of an ATF ruling on citrus contents in alcohol; an amendment on behalf of Senator PRYOR striking the committee amendment on page 15, line 5 through line 9; an amendment on behalf of Senators SIMPSON and CRAIG restricting IRS funds to certain tax-exempt organizations; an amendment for myself and Senator KERREY allowing for the Department of Treasury to reimburse the District of Columbia for costs incurred as a result of the closure of Pennsylvania Avenue.

Further, an amendment on behalf of Senator COVERDELL providing $5 million for payments to States to partially cover costs of the National Voter Registration Act of 1993; an amendment on behalf of Senator BINGAMAN prohibiting the sale of tobacco products in vending machines in Federal buildings; a sense-of-the-Senate amendment on behalf of Senator BROWN on GSA supply depots; two amendments on behalf of Senator KERREY and myself on an IRS commission and on a Secret Service protection matter; an amendment on behalf of Senator HUTCHISON on border stations; an amendment on behalf of Senator BINGAMAN requiring energy costs in Federal facilities; a sense of the Senate on behalf of Senator BROWN regarding an airport issue in Colorado; an amendment on behalf of Senators HATCH and BIDEN restoring—I have a modification on the Hatch-Biden amendment—funds to ONDCP; an amendment on behalf of Senator BROWN regarding SES leave; an amendment on behalf of Senator LAUTENBERG regarding transfer of a building in Hoboken, NJ; an amendment on behalf of Senator GRASSLEY restoring funding for ACUS; an amendment on behalf of Senator MIKULSKI regarding pay for Uniformed Service officers.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alabama (Mr. SHELBY) proposes amendment Nos. 2232 through 2251, en bloc.

The amendments are as follows:

AMENDMENT NO. 2232

Mr. SHELBY offered an amendment (No. 2232) for himself and Mr. KERREY.

At the end of Title V, add the following new section:

SEC. . Section 4 of the Presidential Protection Assistance Act of 1976, Public Law 94-524, is amended by striking "$75,000" and inserting in lieu thereof "$200,000".

AMENDMENT NO. 2233

Mr. SHELBY offered an amendment (No. 2233) for Mr. STEVENS.

On page 104, insert between lines 19 and 20 the following new section:

SEC. 635. (a) Section 5402 of title 39, United States Code, is amended—

(1) in subsection (f) by striking out "During the period beginning January 1, 1995, and ending January 1, 1999, the" and inserting in lieu thereof "The"; and

(2) in subsection (g)(1) by amending subparagraph (D) to read as follows:

"(D) have provided scheduled service within the State of Alaska for at least 12 consecutive months with aircraft—

"(i) under 7,500 pounds payload before being selected as a carrier of nonpriority bypass mail at an applicable intra-Alaska bush service mail rate; and

"(ii) equal to or over 7,500 pounds before being selected as a carrier of nonpriority bypass mail at the intra-Alaska mainline service mail rate.".

(b)(1) Subject to paragraph (2), the amendment made by subsection (a) shall be effective on and after August 1, 1995.

(2) Subparagraph (D) of section 5402(g)(1) of title 39, United States Code (as in effect before the amendment made under subsection (a)) shall apply to a carrier, if such carrier—

(A) has an application pending before the Department of Transportation for approval under Section 41102 or 41110(e) of title 39, United States Code, before August 1, 1995; and

(B) would meet the requirements of such subparagraph if such application were approved and such certificate were purchased.

AMENDMENT NO. 2234

Mr. SHELBY offered an amendment (No. 2234) for Mr. D'AMATO, for himself and Mr. MOYNIHAN.

At the appropriate place in the bill, add the following new section:

SEC. . Notwithstanding any other provision of law, the United States Customs Service shall transfer, without consideration, to the National Warplane Museum in Geneseo, New York, 2 seized and forfeited A-37 Dragonfly jets for display and museum purposes.

AMENDMENT NO. 2235

Mr. SHELBY offered an amendment (No. 2235) for Mr. FORD, for himself and Mr. MCCONNELL.

Add the following new Section to Title V:

SEC. . No part of any appropriation made available in this Act shall be used to implement Bureau of Alcohol, Tobacco and Firearms Ruling TD ATF-360; Re: Notice Nos. 782, 780, 91F009P.

AMENDMENT NO. 2236

Mr. SHELBY offered an amendment (No. 2236) for Mr. PRYOR.

(Purpose: To eliminate funding requiring an initiation of a program to use private law firms and debt collection agencies in collection activities of the Internal Revenue Service, and for other purposes)

On page 15, line 5, strike out all after "research" through line 9 and insert in lieu thereof a period.

• Mr. PRYOR. Mr. President, it is my understanding that the managers of

the bill, Senators SHELBY and KERRY, have accepted my amendment, and I want to thank them for their support. However, a similar provision was included in the House Treasury, Postal Service appropriations bill, and I want to make my comments on this matter part of the RECORD in anticipation of the conference between the House and Senate.

Mr. President, the Treasury, Postal Service, and General Government appropriations bill provides $13 million to "initiate a program to utilize private counsel law firms and debt collection agencies in the collection activities of the Internal Revenue Service."

In short, this provision requires the IRS to spend $13 million to hire private law firms and private bill collectors to collect the debts of the American taxpayer. My amendment is very simple—It strikes this provision from the Treasury, Postal Service appropriations bill.

Mr. President, in over 200 years of our Federal Government, we have never turned over the business of collecting taxes to the private sector—But I must point out that this dubious practice is as old as the hills and dates back to at least ancient Greece.

The practice of private tax collection even has a name. It is called "tax farming", and its modern history is chronicled in a book authored by Charles Adams, a tax lawyer and history teacher. The book is named "For Good and Evil: The Impact of Taxes on the Course of Civilization."

In this book, Mr. Adams recounts many tales of how the world has suffered under the oppression of the tax farmers. He specifically describes the tax farmers sent by the Greek kings to the island of Cos as "thugs, and even the privacy of a person's home was not secure from them." He further notes that a respected lady of Cos around 200 B.C. wrote "Every door trembles at the tax-farmers."

Mr. President, in the later Greek and Roman world, no social class was hated more than the tax farmer. The leading historian of the period, Rostovtzeff, described tax farmers with these words: "The publican (keepers of the public house) certainly were ruthless tax collectors, and dangerous and unscrupulous rivals in business. They were often dishonest and probably always cruel."

Tax farming flourished, as a monster of oppression in many forms, in Western civilization, for over 2,500 years until its demise after World War I.

Tax farming brutalized prerevolutionary France. The French court paid the price during the Reign of Terror when the people were so incensed that they rounded up the tax farmers, tried them in the people's courts, and condemned them to death. Accounts of the time tell of the taxpayers cheering while the heads of the tax farmers tumbled from the guillotine.

In 17th-century England, Charles II imposed a "Hearth Tax", assessing 2 shillings per chimney in each house. To collect it, the king contracted out with private parties—named by the people, "Chimney Men". These Chimney Men were ruthless and hated by the people of England. Hatred of the privately collected tax helped depose Charles' brother, James II. As soon as the new monarchs, William and Mary, were installed, the House of Commons abolished the tax, ending a "badge of slavery upon the whole people that allowed every man's house to be entered and searched at the pleasure of persons unknown to him."

Now, I am not suggesting that providing $13,000,000 to the IRS in order to contract out with private law firms and collection agencies will cause anyone to actually lose their head. But, for well-reasoned decisionmakers, history should be utilized as a guide as to—what is, and what is not—a good idea. Clearly, Mr. President, history tells us that contracting out the tax collection responsibilities of government is not a good idea.

Mr. President, some very notable economists and philosophers have also warned against tax farming. In his book, "The Wealth of Nations," Adam Smith states, "The best and most frugal way of levying a tax can never be by farm."

Smith goes on to observe that "The farmers of the public revenue never find the laws too severe, which punish any attempt to evade the payment of tax. They have no bowels for the contributors, who are not their subjects, and whose universal bankruptcy, if it should happen the day after their farm is expired, would not much affect their interest."

Mr. President, I know there are those in this Chamber who revere Adam Smith, so I hope they will heed his message in "The Wealth of Nations."

Mr. President, just as relevant to the discussion is how this practice may be employed in our time and by our Federal Government?

First, Who will these people be?

Second, How will they be hired?

Third, Who will train them?

Fourth, Who will oversee them?

Fifth, Which taxpayer's cases will they work on?

Sixth, What type of taxpayer information will be made available to them? And,

Seventh, How will these private bill collectors be paid?

Mr. President, this legislation provides no answer to these important questions—it simply provides taxpayer dollars, $13 million of them, to nameless, faceless, untrained, and unaccountable bill collectors with no guidance as to how they will be paid.

Let us just briefly explore two of the questions that I just mentioned.

First, what type of taxpayer information will these private bill collectors have access to? The American people demand that their tax return information will be kept confidential; that it will only be shared with the appropriate personnel within the Government. It is an essential element which lends confidence in our tax system and leads to a high percentage of voluntary compliance.

If taxpayer information is shared outside of the Government confidence, how many taxpayer will decide to no longer comply? I fear in an effort to collect more revenues, we will collect less.

Second, how will these bill collectors be paid? The bill does not specify the manner in which these private law firms and private collection agencies will be compensated. But Mr. President, most bill collectors are paid on a contingency basis—that is, they are compensated on some percentage of what they collect.

If this is to be the case—and it is certainly a possibility under this bill—this is a blatant violation of the Taxpayer Bill of Rights. In the Taxpayer Bill of Rights, passed in 1988, there is included a strict prohibition against the IRS from using enforcement goals or quotas.

Mr. President, a contingency fee to an outside contractor is a quota, and if applied to the compensation of an IRS agent would be strictly prohibited under the Taxpayer Bill of Rights. However, there is a fatal problem the drafters of this legislation have not recognized. And that is—the Taxpayer Bill of Rights only applies to the IRS—not outside contractors. Given this loophole, I must register my strongest objection to any possibility that a modern day tax farmer might be paid on a contingency basis.

But this certainly will not be the only protection afforded by the Taxpayer Bill of Rights which does not apply to these private bill collectors. For example, a reckless IRS agent can be sued under the Taxpayer Bill of Rights. Mr. President, no such right exists for the taxpayer against a private bill collector. We must take the time to analyze what other rights the taxpayer may be losing under this provision.

Mr. President, I might also point out that we have had no hearings in the Senate on this proposed practice. And, as a member of the Finance Committee, I must say I am shocked that an issue so fundamental to the relationship between the Government and the taxpayer has not been the topic of any discussion before the members of the Finance Committee.

Mr. President, the IRS Commissioner raises serious questions about this provision. In a letter I received today, Commissioner Richardson outlines her concerns. Mr. President, I ask that a copy of the Commissioner's statement be printed in the RECORD.

Mr. President, I believe the IRS Commissioner's concerns are warranted and we should not act until we have the answer to these questions.

The statement follows:

DEPARTMENT OF THE TREASURY,
INTERNAL REVENUE SERVICE,
Washington, DC, August 4, 1995.

Hon. DAVID PRYOR,
U.S. Senate,
Washington, DC.

DEAR SENATOR PRYOR: I am writing to express my concern regarding statutory language in the FY 1996 Appropriations Committee Bill (H.R. 2020) for Treasury, Postal Service and General Government that would mandate the Internal Revenue Service (IRS) spend $13 million "to initiate a program to utilize private counsel law firms and debt collection activities . . ." I have grave reservations about starting down the path of using private contractors to contact taxpayers regarding their delinquent tax debts without Congress having a thorough understanding of the costs, benefits and risks of embarking on such a course.

There are some administrative and support functions in the collection activity that do lend themselves to performance by private sector enterprises under contract to the IRS. For example, in FY 1994, the IRS spent nearly $5 million for contracts to acquire addresses and telephone numbers for taxpayers with delinquent accounts. In addition, we are taking many steps to emulate the best collection practices of the private sector to the extent they are compatible with safeguarding taxpayer rights. However, to this point, the IRS has not engaged contractors to make direct contact with taxpayers regarding delinquent taxes as is envisioned in H.R. 2020. Before taking this step, I strongly recommend that all parties with an interest obtain solid information on the following key issues:

(1) What impact would private debt collectors have on the public's perception of the fairness of tax administration and of the security of the financial information provided to the IRS? A recent survey conducted by Anderson Consulting revealed that 59% of Americans oppose state tax agencies contracting with private companies to administer and collect taxes while only 35% favor such a proposal. In all likelihood, the proportion of those opposed would be even higher for Federal taxes. Addressing potential public misgivings should be a priority concern.

(2) How would taxpayers rights be protected and privacy be guaranteed once tax information was released to private debt collectors? Would the financial incentives common to private debt collection (keeping a percentage of the amount collected) result in reduced rights for certain taxpayers whose accounts had been privatized? Using private collectors to contact taxpayers on collection matters would pose unique oversight problems for the IRS to assure that Taxpayers Bill of Rights and privacy rights are protected for all taxpayers. Commingling of tax and non-tax data by contractors is a risk as is the use of tax information for purposes other than intended.

(3) Is privatizing collection of tax debt a good business decision for the Federal Government? Private contractors have none of the collection powers the Congress has given to the IRS. Therefore, their success in collection may not yield the same return as a similar amount invested in IRS telephone or field collection activities where the capability to contact taxpayers is linked with the ability to institute liens and levy on property if need be. Currently, the IRS telephone collection efforts yield about $26 collected for every dollar expended. More complex and difficult cases dealt with in the field yield about $10 for every dollar spent.

I strongly believe a more extensive dialogue is needed on the matter of contracting out collection activity before the IRS proceeds to implement such a provision. Please let me know if I can provide any additional information that would be of value to you as Congress considers this matter.

Sincerely,

MARGARET MILNER-RICHARDSON.●

AMENDMENT NO. 2237

Mr. SHELBY offered an amendment (No. 2237) for Mr. SIMPSON, for himself and Mr. CRAIG.

At the appropriate place, insert the following:

SEC. ___. EXEMPT ORGANIZATIONS.

(a) IN GENERAL.—An organization described in section 501(c)(4) of the Internal Revenue Code of 1986 which engages in lobbying activities shall not be eligible for the receipt of Federal funds constituting an award, grant, or loan.

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

(1) AGENCY.—The term "agency" has the meaning given that term in section 551(1) of title 5, United States Code.

(2) CLIENT.—The term "client" means any person or entity that employs or retains another person for financial or other compensation to conduct lobbying activities on behalf of that person or entity. A person or entity whose employees act as lobbyists on its own behalf is both a client and an employer of such employees. In the case of a coalition or association that employs or retains other persons to conduct lobbying activities, the client is the coalition or association and not its individual members.

(3) COVERED EXECUTIVE BRANCH OFFICIAL.—The term "covered executive branch official" means—

(A) the President;

(B) the Vice President;

(C) any officer or employee, or any other individual functioning in the capacity of such an officer or employee, in the Executive Office of the President;

(D) any officer or employee serving in a position in level I, II, III, IV, or V of the Executive Schedule, as designated by statute or Executive order;

(E) any member of the uniformed services whose pay grade is at or above O–7 under section 201 of title 37, United States Code; and

(F) any officer or employee serving in a position of a confidential, policy-determining, policy-making, or policy-advocating character described in section 7511(b)(2) of title 5, United States Code.

(4) COVERED LEGISLATIVE BRANCH OFFICIAL.—The term "covered legislative branch official" means—

(A) a Member of Congress;

(B) an elected officer of either House of Congress;

(C) any employee of, or any other individual functioning in the capacity of an employee of—

(i) a Member of Congress;

(ii) a committee of either House of Congress;

(iii) the leadership staff of the House of Representatives or the leadership staff of the Senate;

(iv) a joint committee of Congress; and

(v) a working group or caucus organized to provide legislative services or other assistance to Members of Congress; and

(D) any other legislative branch employee serving in a position described under section 109(13) of the Ethics in Government Act of 1978 (5 U.S.C. App.).

(5) EMPLOYEE.—The term "employee" means any individual who is an officer, employee, partner, director, or proprietor of a person or entity, but does not include—

(A) independent contractors; or

(B) volunteers who receive no financial or other compensation from the person or entity for their services.

(6) FOREIGN ENTITY.—The term "foreign entity" means a foreign principal (as defined in section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)).

(7) LOBBYING ACTIVITIES.—The term "lobbying activities" means lobbying contacts and efforts in support of such contacts, including preparation and planning activities, research and other background work that is intended, at the time it is performed, for use in contacts, and coordination with the lobbying activities of others.

(8) LOBBYING CONTACT.—

(A) DEFINITION.—The term "lobbying contact" means any oral or written communication (including an electronic communication) to a covered executive branch official or a covered legislative branch official that is made on behalf of a client with regard to—

(i) the formulation, modification, or adoption of Federal legislation (including legislative proposals);

(ii) the formulation, modification, or adoption of a Federal rule, regulation, Executive order, or any other program, policy, or position of the United States Government;

(iii) the administration or execution of a Federal program or policy (including the negotiation, award, or administration of a Federal contract, grant, loan, permit, or license); or

(iv) the nomination or confirmation of a person for a position subject to confirmation by the Senate.

(B) EXCEPTIONS.—The term "lobbying contact" does not include a communication that is—

(i) made by a public official acting in the public official's official capacity;

(ii) made by a representative of a media organization if the purpose of the communication is gathering and disseminating news and information to the public;

(iii) made in a speech, article, publication or other material that is distributed and made available to the public, or through radio, television, cable television, or other medium of mass communication;

(iv) made on behalf of a government of a foreign country or a foreign political party and disclosed under the Foreign Agents Registration Act of 1938 (22 U.S.C. 611 et seq.);

(v) a request for a meeting, a request for the status of an action, or any other similar administrative request, if the request does not include an attempt to influence a covered executive branch official or a covered legislative branch official;

(vi) made in the course of participation in an advisory committee subject to the Federal Advisory Committee Act;

(vii) testimony given before a committee, subcommittee, or task force of the Congress, or submitted for inclusion in the public record of a hearing conducted by such committee, subcommittee, or task force;

(viii) information provided in writing in response to an oral or written request by a covered executive branch official or a covered legislative branch official for specific information;

(ix) required by subpoena, civil investigative demand, or otherwise compelled by statute, regulation, or other action of the Congress or an agency;

(x) made in response to a notice in the Federal Register, Commerce Business Daily, or other similar publication soliciting communications from the public and directed to the agency official specifically designated in the notice to receive such communications;

(xi) not possible to report without disclosing information, the unauthorized disclosure of which is prohibited by law;

(xii) made to an official in an agency with regard to—

(I) a judicial proceeding or a criminal or civil law enforcement inquiry, investigation, or proceeding; or

(II) a filing or proceeding that the Government is specifically required by statute or regulation to maintain or conduct on a confidential basis,

if that agency is charged with responsibility for such proceeding, inquiry, investigation, or filing;

(xiii) made in compliance with written agency procedures regarding an adjudication conducted by the agency under section 554 of title 5, United States Code, or substantially similar provisions;

(xiv) a written comment filed in the course of a public proceeding or any other communication that is made on the record in a public proceeding;

(xv) a petition for agency action made in writing and required to be a matter of public record pursuant to established agency procedures;

(xvi) made on behalf of an individual with regard to that individual's benefits, employment, or other personal matters involving only that individual, except that this clause does not apply to any communication with—

(I) a covered executive branch official, or

(II) a covered legislative branch official (other than the individual's elected Members of Congress or employees who work under such Members' direct supervision),

with respect to the formulation, modification, or adoption of private legislation for the relief of that individual;

(xvii) a disclosure by an individual that is protected under the amendments made by the Whistleblower Protection Act of 1989, under the Inspector General Act of 1978, or under another provision of law;

(xviii) made by—

(I) a church, its integrated auxiliary, or a convention or association of churches that is exempt from filing a Federal income tax return under paragraph 2(A)(i) of section 6033(a) of the Internal Revenue Code of 1986, or

(II) a religious order that is exempt from filing a Federal income tax return under paragraph (2)(A)(iii) of such section 6033(a); and

(xix) between—

(I) officials of a self-regulatory organization (as defined in section 3(a)(26) of the Securities Exchange Act) that is registered with or established by the Securities and Exchange Commission as required by that Act or a similar organization that is designated by or registered with the Commodities Future Trading Commission as provided under the Commodity Exchange Act; and

(II) the Securities and Exchange Commission or the Commodities Future Trading Commission, respectively;

relating to the regulatory responsibilities of such organization under that Act.

(9) LOBBYING FIRM.—The term "lobbying firm" means a person or entity that has 1 or more employees who are lobbyists on behalf of a client other than that person or entity. The term also includes a self-employed individual who is a lobbyist.

(10) LOBBYIST.—The term "lobbyist" means any individual who is employed or retained by a client for financial or other compensation for services that include more than one lobbying contact, other than an individual whose lobbying activities constitute less than 20 percent of the time engaged in the services provided by such individual to that client over a six month period.

(11) MEDIA ORGANIZATION.—The term "media organization" means a person or entity engaged in disseminating information to the general public through a newspaper, magazine, other publication, radio, television, cable television, or other medium of mass communication.

(12) MEMBER OF CONGRESS.—The term "Member of Congress" means a Senator or a Representative in, or Delegate or Resident Commissioner to, the Congress.

(13) ORGANIZATION.—The term "organization" means a person or entity other than an individual.

(14) PERSON OR ENTITY.—The term "person or entity" means any individual, corporation, company, foundation, association, labor organization, firm, partnership, society, joint stock company, group of organizations, or State or local government.

(15) PUBLIC OFFICIAL.—The term "public official" means any elected official, appointed official, or employee of—

(A) a Federal, State, or local unit of government in the United States other than—

(i) a college or university;

(ii) a government-sponsored enterprise (as defined in section 3(8) of the Congressional Budget and Impoundment Control Act of 1974);

(iii) a public utility that provides gas, electricity, water, or communications;

(iv) a guaranty agency (as defined in section 435(j) of the Higher Education Act of 1965 (20 U.S.C. 1085(j))), including any affiliate of such an agency; or

(v) an agency of any State functioning as a student loan secondary market pursuant to section 435(d)(1)(F) of the Higher Education Act of 1965 (20 U.S.C. 1085(d)(1)(F));

(B) a Government corporation (as defined in section 9101 of title 31, United States Code);

(C) an organization of State or local elected or appointed officials other than officials of an entity described in clause (i), (ii), (iii), (iv), or (v) of subparagraph (A);

(D) an Indian tribe (as defined in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e));

(E) a national or State political party or any organizational unit thereof; or

(F) a national, regional, or local unit of any foreign government.

(16) STATE.—The term "State" means each of the several States, the District of Columbia, and any commonwealth, territory, or possession of the United States.

(c) CONSTRUCTION AND EFFECT.—Nothing in this section shall be construed to affect the application of the Internal Revenue laws of the United States.

(d) EXCEPTIONS.—This section shall not apply to organizations described in section 501(c)(4) of the Internal Revenue Code with gross annual revenues of less than $10,000,000, including the amounts of Federal funds received as grants, awards, or loans.

(e) EFFECTIVE DATE.—This section shall become effective on January 1, 1997.

AMENDMENT NO. 2238

Mr. SHELBY offered an amendment (No. 2238) for himself and Mr. KERREY.

Section .

(a) Notwithstanding any other provision of law, of the funds made available to the Department of the Treasury by this or any other act for obligation at any time during the fiscal year ending September 30, 1995 or the fiscal year ending September 30, 1996, not to exceed $500,000 shall be available to the Secretary of the Treasury during the fiscal year ending September 30, 1996 to reimburse the District of Columbia Metropolitan Police Department for personnel costs incurred by the Metropolitan Police Department between May 19, 1995 and September 30, 1995 as a result of the closing to vehicular traffic of Pennsylvania Avenue Northwest and other streets in vicinity of the White House.

(b) The amount of reimbursement shall be determined by the Secretary of the Treasury and shall be final and not subject to review in any forum.

AMENDMENT NO. 2239

Mr. SHELBY offered an amendment (No. 2239) for Mr. BINGAMAN.

(Purpose: To limit access by minors to cigarettes through prohibiting the sale of tobacco products in vending machines and the distribution of free samples of tobacco products in Federal buildings and property accessible by minors)

At the appropriate place in the bill add the following new section:

SEC. . (a) This section may be cited as the "Prohibition of Cigarette Sales to Minors in Federal Buildings and Lands Act".

(b) The Congress finds that—

(1) cigarette smoking and the use of smokeless tobacco products continue to represent major health hazards to the Nation, causing more than 420,000 deaths each year;

(2) cigarette smoking continues to be the single most preventable cause of death and disability in the United States;

(3) tobacco products contain hazardous additives, gases, and other chemical constituents dangerous to health;

(4) the use of tobacco products costs the United States more than $50,000,000,000 in direct health care costs, with more than $21,000,000,000 of these costs being paid by government funds;

(5) tobacco products contain nicotine, a poisonous, addictive drug;

(6) all States prohibit the sale of tobacco products to minors, but enforcement has been ineffective or nonexistent and tobacco products remain one of the least regulated consumer products in the United States;

(7) over the past decade, little or no progress has been made in reducing tobacco use among teenagers and recently, teenage smoking rates appear to be rising;

(8) more than two-thirds of smokers smoke their first cigarette before the age of 14, and 90 percent of adult smokers did so by age 18;

(9) 516,000,000 packs of cigarettes are consumed by minors annually, at least half of which are illegally sold to minors;

(10) reliable studies indicate that tobacco use is a gateway to illicit drug use; and

(11) the Federal Government has a major policy setting role in ensuring that the use of tobacco products among minors is discouraged to the maximum extent possible.

(c) As used in this section—

(1) the term "Federal agency" means—

(A) an Executive agency as defined in section 105 of title 5, United States Code; and

(B) each entity specified in subparagraphs (B) through (H) of section 5721(1) of title 5, United States Code;

(2) the term "Federal building" means—

(A) any building or other structure owned in whole or in part by the United States or any Federal agency, including any such structure occupied by a Federal agency under a lease agreement; and

(B) includes the real property on which such building is located;

(3) the term "minor" means an individual under the age of 18 years; and

(4) the term "tobacco product" means cigarettes, cigars, little cigars, pipe tobacco, smokeless tobacco, snuff, and chewing tobacco.

(d)(1) No later than 45 days after the date of the enactment of this Act, the Administrator of General Services and the head of each Federal agency shall promulgate regulations that prohibit—

(A) the sale of tobacco products in vending machines located in or around any Federal building under the jurisdiction of the Administrator or such agency head; and

(B) the distribution of free samples of tobacco products in or around any Federal building under the jurisdiction of the Administrator or such agency head.

(2) The Administrator of General Services or the head of an agency, as appropriate, may designate areas not subject to the provisions of paragraph (1), if such area also prohibits the presence of minors.

(3) The provisions of this subsection shall be carried out—

(A) by the Administrator of General Services for any Federal building which is maintained, leased, or has title of ownership vested in the General Services Administration; or

(B) by the head of a Federal agency for any Federal building which is maintained, leased, or has title of ownership vested in such agency.

(e) No later than 90 days after the date of enactment of this Act, the Administrator of General Services and each head of an agency shall prepare and submit, to the appropriate committees of Congress, a report that shall contain—

(1) verification that the Administrator or such head of an agency is in compliance with this section; and

(2) a detailed list of the location of all tobacco product vending machines located in Federal buildings under the administration of the Administrator or such head of an agency.

(f)(1) No later than 45 days after the date of the enactment of this Act, the Senate Committee on Rules and Administration and the House of Representatives Committee on House Administration, after consultation with the Architect of the Capitol, shall promulgate regulations under the Senate and House of Representatives rulemaking authority that prohibit the sale of tobacco products in vending machines in the Capitol Buildings.

(2) Such committees may designate areas where such prohibition shall not apply, if such area also prohibits the presence of minors.

(3) For the purpose of this section the term "Capitol Buildings" shall have the same meaning as such term is defined under section 16(a)(1) of the Act entitled "An Act to define the area of the United States Capitol Grounds, to regulate the use thereof, and for other purposes", approved July 31, 1946 (40 U.S.C. 193m(1)).

(g) Nothing in this section shall be construed as restricting the authority of the Administrator of General Services or the head of an agency to limit tobacco product use in or around any Federal building, except as provided under subsection (d)(1).

Mr. BINGAMAN. Mr. President, I rise today to offer an amendment to H.R. 2020. My amendment is a modest one, and it is identical to one accepted by the Senate 2 years ago as an amendment to the fiscal year 1994 appropriations bill for the Treasury Department, Postal Service and General Government. This amendment would ban tobacco vending machines in Federal buildings and on Federal property accessible to children. I am reoffering my amendment for three simple reasons:

First, in 1993, after the Senate passed my amendment to ban tobacco vending machines on Federal property, the conferees failed to retain the legislative language, opting instead for the following statement in the fiscal year 1994 Treasury-Postal Appropriations Conference Report:

"* * * [elimination of the provision] does not signal a lack of concern for the health and safety of minors. The conferees agree that locating cigarette sales vending machines in areas accessible to minors poses a serious problem as their presence increases the availability of products which otherwise may be prohibited from sale to minors. *Therefore, the conferees direct the Administrator to eliminate vending machines in areas which are accessible to minors.*"

Despite this directive, tobacco vending machines remain on Federal property and many are fully accessible to children.

Second, more substantively, vending machines are extremely difficult to monitor. Not surprisingly, they are one of the chief sources of cigarette purchases among children and teenagers.

Third, finally, every State in the country has enacted a law to prohibit the sale or distribution of cigarettes to minors.

Mr. President, I would like to take a few moments to talk about each of the points I have listed.

As I mentioned, the congressional directive contained in the fiscal year 1994 Treasury-Postal Service appropriations bill was issued almost 2 years ago. In those 2 years, more than 2 million children and teens in this country took up smoking. One-third of them—more than 600,000 children—will later die of tobacco-related causes.

Let me repeat that: More than 600,000 children will die because sometime over the past 2 years, they started to smoke. And we cannot even get a few cigarette vending machines out of some Federal buildings.

Mr. President, these statistics are not exaggerations. The facts are well known and widely acknowledged:

First, more than 420,000 people died each year from tobacco-related causes, making cigarette smoking the single most preventable cause of death and disability in the United States.

Second, every day, more than 3,000 children and teenagers start to smoke. More than two-thirds of all adult smokers had their first cigarette before the age of 14, and 90 percent began smoking by age 18.

Third, every year, minors consume 516 million packs of cigarettes, at least half of which are sold illegally to children and teens.

Five hundred-sixteen million packs of cigarettes consumed by minors annually. Three thousand children starting to smoke every day. And every State in this country has a law prohibiting the sale of tobacco products to minors.

Clearly, something is not working. It is time for a new course of action. Some experts argue that the wisest, most effective course of action would be to take the tobacco industry up on its voluntary plan for reducing underage smoking and try to hold the industry to its commitment.

Others argue that we should use this opportunity to give the Food and Drug Administration broader regulatory authority of tobacco products. The President is currently grappling with these tough issues, and we expect an announcement of his decision at any time.

For several years, I have sponsored legislation that would specifically give the FDA the authority to regulate nicotine-containing tobacco products. For a number of years, the Department of Health and Human Services has urged States and localities to take greater responsibility by, among other things, banning cigarette vending machines.

In recent years, other Federal officials, including President Clinton and former President Bush, have joined the Department's appeal to States and localities. In its Healthy People 2000 Report, the Public Health Service encourages Indian Tribal Councils to "similarly enforce prohibitions of tobacco sales to Indian youth living on reservations" because Indian nations are sovereign and exempted from State laws.

I agree with the Department's previous advice. I sincerely hope that over the next few days or weeks the President will take a tough stand on the issue of Federal regulation of tobacco products. I hope he will go much farther than this modest bill. At the same time, I would caution the President and my colleagues in the Senate not to forget the powerful message that "leading by example" can convey.

Mr. President, over the past several years, while the Federal Government has been urging every political body in the country to ban cigarette vending machines, pack after pack are loaded into—and purchased out of—vending machines every day in Federal buildings. Those buildings include the Senate and House Office Buildings and the Old Executive Office Building, next door to the White House.

It is long past time for the vending machines to go. It is time for the Federal Government to lead by example. I

believe that if we expect States, localities, Indian Tribal leaders, schools, parents, and even the tobacco industry itself, to take steps to protect our children from tobacco, then we in the Federal Government should join the effort. We should lead the effort. We can begin with passage of this amendment.

Thank you.

AMENDMENT NO. 2240

Mr. SHELBY offered an amendment (No. 2240) for Mr. BROWN:

At the appropriate place in the bill, insert the following new section:

SEC. . It is the sense of the Senate that the General Services Administration should increase use of direct delivery for high-dollar value supplies and only stock items that are profitable, that after these changes are implemented, the General Services Administration should phase out the supply depots that are no longer economically justifiable or needed.

Mr. BROWN. Mr. President, there is included in this bill a request to look at the policies of the General Services Administration in supplying some 18,000 commonly used products and supplies that are resold to the agencies and various depots of the Federal Government. Here are the numbers.

When the GSA delivers products directly, their markup is 10 percent. When they go through one of the depots though, that is, simply processing through a depot, their markup is 29 percent.

What we urge is that they reexamine their policy and deliver directly where possible. There is a 19 percent net savings to the taxpayer if they follow that procedure.

I yield back, Mr. President.

AMENDMENT NO. 2241

Mr. SHELBY offered an amendment (No. 2241) for himself and Mr. KERREY:

(Purpose: To establish the National Commission on Restructuring the Internal Revenue Service)

At the appropriate place, insert the following new section:

SEC. . NATIONAL COMMISSION ON RESTRUCTURING THE INTERNAL REVENUE SERVICE.

(a) FINDINGS.—The Congress finds the following:

(1) While the budget for the Internal Revenue Service (hereafter referred to as the "IRS") has risen from $2.5 billion in fiscal year 1979 to $7.5 billion in fiscal year 1996, tax returns processing has not become significantly faster, tax collection rates have not significantly increased, and the accuracy and timeliness of taxpayer assistance has not significantly improved.

(2) To date, the Tax Systems Modernization (TSM) program has cost the taxpayers $2.5 billion, with an estimated cost of $8 billion. Despite this investment, modernization efforts were recently described by the GAO as "chaotic" and "ad hoc".

(3) While the IRS maintains the TSM will increase efficiency and thus revenues, Congress has had to appropriate additional funds in recent years for compliance initiative in order to increase tax revenues.

(4) Because TSM has not been implemented, the IRS continues to rely on paper returns, processing a total of 14 billion pieces of paper every tax season. This results in an extremely inefficient system.

(5) This lack of efficiency reduces the level of customer service and impedes the ability of the IRS to collect revenue.

(6) The present status of the IRS shows the need for the establishment of a Commission which will examine the organization of IRS and recommend actions to expedite the implementation of TSM and improve service to taxpayers.

(b) COMPOSITION OF THE COMMISSION.—

(1) ESTABLISHMENT.—To carry out the purposes of this section, there is established a National Commission on Restructuring the Internal Revenue Service (in this section referred to as the "Commission").

(2) COMPOSITION.—The Commission shall be composed of twelve members, as follows:

(A) Four members appointed by the President, two from the executive branch of the Government and two from private life.

(B) Two members appointed by the Majority Leader of the Senate, one from Members of the Senate and one from private life.

(C) Two members appointed by the Minority Leader of the Senate, one from Members of the Senate and one from private life.

(D) Two members appointed by the Speaker of the House of Represtatives, one from Members of the House of Representatives and one from private life.

(E) Two members appointed by the Minority Leader of the House of Representatives, one from Members of the House of Representatives and one from private life.

The Commissioner of the Internal Revenue Service shall be an ex officio member of the Commission.

(3) CHAIRMAN.—The Commission shall elect a Chairman from among its members.

(4) MEETING; QUORUM, VACANCIES.—After its initial meeting, the Commission shall meet upon the call of the Chairman or a majority of its members. Seven members of the Commission shall constitute a quorum. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(5) APPOINTMENT; INITIAL MEETING.—

(A) APPOINTMENT.—It is the sense of the Congress that members of the Committee should be appointed not more than 60 days after the date of the enactment of this section.

(B) INITIAL MEETING.—If, after 60 days from the date of the enactment of this section, seven or more members of the Commission have been appointed, members who have been appointed may meet and select a Chairman who thereafter shall have the authority to begin the operations of the Commission, including the hiring of staff.

(c) FUNCTIONS OF COMMISSION.—

(1) IN GENERAL.—The functions of the Commission shall be—

(A) to conduct, for a period of one year from the date of its first meeting, the review described in paragraph (2), and

(B) to submit to the Congress a final report of the results of the review, including recommendations for restructuring the IRS.

(2) REVIEW.—The Commission shall review—

(A) the present practices of the IRS, especially with respect to—

(i) its organizational structure;

(ii) its paper processing and return processing activities;

(iii) its infrastructure; and

(iv) the collection process;

(B) requirements for improvement in the following areas:

(i) making returns processing "paperless";

(ii) modernizing IRS operations;

(iii) improving the collections process without major personnel increases or increased funding;

(iv) improving taxpayer accounts management;

(v) improving the accuracy of information requested by taxpayers in order to file their returns; and

(vi) changing the culture of the IRS to make the organization more efficient, productive, and customer-oriented;

(C) whether the IRS could be replaced with a quasi-governmental agency with tangible incentives for internally managing its programs and activities and for modernizing its activities, and

(D) whether the IRS could perform other collection, information, and financial service functions of the Federal Government.

(d) POWERS OF THE COMMISSIONER.—

(1) IN GENERAL.—(A) The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this section—

(i) hold such hearings and sit and act at such times and places, take such testimony, receive such evidence, administer such oaths, and

(ii) require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents.

as the Commission or such designated subcommittee or designated member may deem advisable.

(b) Subpoenas issued under subparagraph (A)(ii) may be issued under the signature of the Chairman of the Commission, the chairman of any designated subcommittee, or any designated member, and may be served by any person designated by such Chairman, subcommittee chairman, or member. The provisions of sections 102 through 104 of the Revised Statutes of the United States (2 U.S.C. 192–194) shall apply in the case of any failure of any witness to comply with any subpoena or to testify when summoned under authority of this section.

(2) CONTRACTING.—The Commission may, to such extent and in such amounts as are provided in appropriation Acts, enter into contracts to enable the Commission to discharge its duties under this section.

(3) INFORMATION FROM FEDERAL AGENCIES.—The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality of the Government information, suggestions, estimates, and statistics for the purposes of this section. Each such department, bureau, agency, board, commission, office, establishment, or instrumentality shall, to the extent authorized by law, furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman.

(4) ASSISTANCE FROM FEDERAL AGENCIES.—(A) The Secretary of State is authorized on a reimbursable or nonreimbursable basis to provide the Commission with administrative services, funds, facilities, staff, and other support services for the performance of the Commission's functions.

(B) The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

(C) In addition to the assistance set forth in subparagraph (A) and (B), departments

and agencies of the United States are authorized to provide to the Commission such services, funds, facilities, staff, and other support services as they may deem advisable and as may be authorized by law.

(5) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as departments and agencies of the United States.

(e) STAFF OF THE COMMISSION.—

(1) IN GENERAL.—The Chairman, in accordance with rules agreed upon by the Commission, may appoint and fix the compensation of a staff director and such other personnel as may be necessary to enable the Commission to carry out its functions, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no rate of pay fixed under this subsection may exceed the equivalent of that payable to person occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code. Any Federal Government employee may be detailed to the Commission without reimbursement from the Commission, and such detailee shall retain the rights, status, and privileges of his or her regular employment without interruption.

(2) CONSULTANT SERVICES.—The Commission is authorized to procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code, but at rates not to exceed the daily rate paid a person occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(f) COMPENSATION AND TRAVEL EXPENSES.—

(1) COMPENSATION.—(A) Except as provided in subparagraph (B), each member of the Commission may be compensated at not to exceed the daily equivalent of the annual rate of basic pay in effect for a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day during which that member is engaged in the actual performance of the duties of the Commission.

(B) Members of the Commission who are officers or employees of the United States or Members of Congress shall receive no additional pay on account of their service on the Commission.

(2) TRAVEL EXPENSES.—While way from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5, United States Code.

(g) FINAL REPORT OF COMMISSION; TERMINATION.—

(1) FINAL REPORT.—Not later than one year after the date of the first meeting of the Commission, the Commission shall submit to the Congress its final report, as described in subsection (c)(2).

(2) TERMINATION.—(A) The Commission, and all the authorities of this section, shall terminate on the date which is 60 days after the date on which a final report is required to be transmitted under paragraph (1).

(B) The Commission may use the 60-day period referred to in subparagraph (A) for the purpose of concluding its activities, including providing testimony to committees of Congress concerning its final report and disseminating that report.

Mr. KERREY. Mr. President, I am offering an amendment today to restructure the IRS. Senator SHELBY and I closely examined the IRS during creation of the Treasury-Postal Service fiscal year 1996 budget, and during this examination, I made the following observations.

IRS funding has increased from $2 billion in 1979 to $7.5 billion in fiscal year 1995, and fiscal year 1996 funding for the IRS is projected to increase by $800 million.

Because of growing entitlement spending, discretionary spending will become increasingly limited. The IRS budget comprises 70 percent of the Treasury-Postal Service Appropriations Subcommittee allocation, and the committee has expressed its concern that both the IRS and other important accounts will be substantially cut because of future budgetary constraints. Due to increasing entitlement spending, Congress simply will not have the funds in fiscal year 1997 and beyond to increase the budget of the IRS.

Despite an increase of $5 billion in the IRS' budget since 1979, tax returns processing has not become significantly faster, tax collection rates have not significantly increased, and taxpayer assistance activities have not significantly improved.

The IRS, aware of inefficient computer systems that impede their ability to collect revenue, has asked for almost $2.5 billion since 1979 for tax systems modernization [TSM]. This funding was intended to update the IRS computer systems so that the IRS could achieve its vision of a highly efficient, virtually paper-free work environment.

The desired outcomes of TSM have not been achieved, and IRS' ability to properly plan and manage this $7.5 billion tax systems modernization program has been repeatedly questioned by the General Accounting Office and the Congress. GAO recently described TSM as "ad hoc" and "chaotic."

The failure to successfully implement TSM has occurred for a number of reasons. The GAO attributes this failure to "pervasive management and technical weaknesses" in the IRS. Two specific possibilities that explain the failure of TSM:

First, the IRS employs some 115,000 personnel and the current organizational structure seems to breed a culture which is averse to change, and the IRS has not made efforts to provide incentives to change this culture;

Second, the IRS does not have a comprehensive business strategy to plan, build, and operate its information systems. Notably absent is a cost-benefit analysis and performance measure of systems.

A key element of a successful TSM is taxpayer conversion to electronic filing. Because the IRS has not sufficiently encouraged the use of electronic returns, the IRS remains overwhelmed with paper returns. It processes 200 million paper returns per year, or 14 billion pieces of paper, and this number continues to grow. The dependence on paper returns contributes substantially to the IRS' inefficiency in processing returns, and the IRS often cannot retrieve documents from the over 1.2 billion tax returns in storage.

According to GAO, because the IRS lacks a comprehensive business strategy to encourage electronic submissions, only 17 million electronic returns are expected in fiscal year 1995, a far cry from the goal of 80 million electronic returns by fiscal year 2001. Electronic returns are a crucial part of the conversion to a modern systems.

Originally, the IRS claimed that investing in TSM would increase revenues because the increased efficiency would allow resources to be diverted to compliance initiatives. But in order to continue increasing revenue, Congress has provided additional increases for the IRS totaling $1.3 billion since 1990 for enhanced revenue compliance initiatives. Increases in revenue collection have resulted from hiring of additional call collectors, revenue officers, agents, and examination audit personnel rather that redistributed resources due to modernization. Additionally, despite these revenue compliance initiatives, audit coverage rates have declined.

The failure of the IRS to implement TSM and their increased attention to compliance initiatives results in an agency that pays very little attention to taxpayer service. If people have the facts, they will pay the tax. Consequently, taxpayer confidence in the IRS's ability to provide accurate and timely information in response to their requests has continued to decline over the past 10 years.

Fully modernized systems would substantially increase revenues through compliance initiatives because IRS workers could instantly access taxpayer information and identify accounts receivable, and in addition, information for audits and fraud identification would be readily accessible, Further, the Congress believes that voluntary compliance would increase if IRS employees could assist taxpayers with accurate and timely information on their accounts. A 7-percent increase in voluntary compliance is estimated to increase revenues by as much as $40 billion a year.

With the successful completion of modernization, the IRS could expand its functions and perform other services that would benefit the public, in areas such as the collection of delinquent child support payments and student loans. The IRS should soon have the capability to fulfill other financial services functions besides revenue collection for the Federal Government.

IRS brings in $1.2 trillion per year in tax revenue. It is an important Federal agency with the potential to be a quasi-Government agency with profit incentives while still protecting taxpayer privacy.

Many changes come with modernization efforts and increased technological capability. While the Congress acknowledges the efforts the IRS has made to correct the problems identified, both the IRS and the taxpayers would benefit if restructuring of the IRS took place for the sake of expediently implementing TSM and better serving the taxpayer.

AMENDMENT NO. 2242

Mr. SHELBY offered an amendment (No. 2242) for himself and Mr. KERREY.

At the end of Title V, add the following new section:

SEC. 2. Section 5542 of title 5, United States Code is amended by adding the following new subsection at the end:

"(e) Notwithstanding subsection (d)(1) of this section, all hours of overtime work scheduled in advance of the administrative workweek shall be compensated under subsection (a) if that work involves duties as authorized by section 3056(a) of title 18 United States Code and if the investigator performs, on that same day, at least 2 hours of overtime work not scheduled in advance of the administrative workweek."

Mr. SHELBY. Mr. President, this amendment makes a technical correction to the 1995 Law Enforcement Availability Pay Act. The Pay Act, which was included as a separate section in the Fiscal Year 1995 Treasury Appropriations Act, commonly referred to as LEAP, contained a provision which amended section 5542 of title 5. This provision requires that the first 2 hours of scheduled overtime work by criminal investigators be calculated against availability pay hours, authorized under the act.

The issue relating to the calculation of work hours for scheduled overtime compensation has been an issue of contention for certain agencies and criminal investigators alike. The current section, as written, is overly restrictive and inflexible and, thus, increases the potential for litigation.

The provision, as stated in a letter received from the Federal Law Enforcement Officers Association, is unfair and does not adequately reflect the intent of Congress. The author of this legislation, Senator DENNIS DECONCINI, attempted to clarify congressional intent in a December 1994 floor statement.

Despite this clarification by the amendment's sponsor, personnel regulations have gone unchanged.

Flexibility is needed for the unusual circumstances surrounding Secret Service specific physical security assignments which will become extraordinarily demanding during the upcoming Presidential campagin and the United Nations General Assembly's 50th anniversary. In light of these upcoming demands it is imperative that flexibility to agency management and fairness to the agents be provided, as was originally intended by Congress. This amendment only applies to the unique circumstances surrounding Secret Service physical protection activities.

The Pay Act, resulted in over $40 million in savings in fiscal year 1995 to Federal law enforcement agencies. It also prevented hundreds of millions of dollars from being spent on litigation by the Federal Government.

It was endorsed by Federal law enforcement agencies, the Office of Management and Budget, and respected law enforcement associations.

In order to ensure that this legislation does what it was intended to do, I urge the adoption of the amendment.

AMENDMENT NO. 2243

Mr. SHELBY offered an amendment (No. 2243) for Mrs. HUTCHISON.

(Purpose: To require the Administrator of the General Services Administration to report to Congress on border station leasing arrangements)

"SEC. —. REPORT ON FEASIBILITY OF LEASING OF BORDER STATIONS.

"(a) The Administrator of the General Services Administration shall, within six months of enactment of this legislation, report to Congress on the feasibility of leasing agreements with State and local governments and private sponsors for the construction of border stations on the borders of the United States with Canada and Mexico whereby:

"(1) lease payments shall not exceed 30 years for payment of the purchase price and interest;

"(2) the obligation of the United States under such an agreement shall be limited to the current fiscal year for which payments are due without regard to section 3328(a)(1)(B) of title 31, United States Code;

"(3) an agreement entered into under such provisions shall provide for the title to the property and facilities to vest in the United States on or before the expiration of the contract term, on fulfillment of the terms and conditions of the agreement."

Mrs. HUTCHISON. Mr. President, with the passage of NAFTA, cities and towns along the border are increasingly interested in expanding the opportunities for trade and economic growth. An essential factor in this growth is the presence of new or expanded border stations at new river or land border crossings. These stations house agents of the U.S. Customs Service, the Immigration and Naturalization Service, and the Department of Agriculture. New or expanded facilities are essential in encouraging trade and in meeting the objectives and dreams of NAFTA.

The normal procedure for the construction of border stations is for the General Services Administration to build and own them. The rationale is that these buildings are long-term investments of the Federal Government and Federal ownership is the most cost-effective form of ownership. Up to now the funding for these projects has come through two channels. One is the congressionally authorized Southwest Border Station Capital Improvement Program started in 1988. It has funded improvements along the southern border. The other is for the U.S. Customs Service, the INS, the Department of Agriculture to provide GSA with a list annually of desired border station projects. They are then included in GSA's capital budget. Both methods were successful prior to the passage of NAFTA in meeting the need for border station facilities in a manner that, if not always as timely as desired by State and local governments and private sponsors, did provide funding.

Three events have changed the situation: First, increased demand for new border crossings. The passage of NAFTA has increased the importance of trade with Mexico and Canada as a source of jobs and income. This has caused towns and cities on both sides for the border to seek additional border crossings in order to accommodate expected future traffic.

Second, reduced Federal funding for construction. Budget cuts are reducing the funds available for new construction, including border stations. GSA is under pressure to reduce construction projects by hundreds of millions of dollars.

Third, reduced Federal flexibility to meet the demand for new stations. Because of budget scoring rules introduced under the Omnibus Budget Reconciliation Act of 1990, GSA cannot economically lease a border station. If a local government or sponsor is willing to build and lease the facility to GSA for 20 years, GSA under the new scoring rules must provide all the money up front for the stream of payments over the 20-year period. This makes the leasing alternative as expensive as new construction in a time of reduced budgets. GSA cannot spread the cost over 20 years, even though they can lease the border station. No homeowner would be able to afford a mortgage if these rules applied. This is particularly frustrating to local sponsors since many are willing to lease the stations and then give them to GSA after the lease term.

REALITIES AND REMEDIES

NAFTA is a reality—the demand for new crossing will not diminish, but increase.

Federal budget reduction is a reality—the availability of Federal funds for border stations is not increasing, but diminishing.

The budget scoring of leasing transactions for border stations is the consequence of much broader issues that Congress and the administration were dealing with that had nothing to do with border stations.

Changing the scoring rules for border stations resolves the problem.

Under this language, the Administrator of General Services will report

on leasing arrangements whereby the GSA can enter into lease with State and local governments, as well as private sponsors, for the construction of border stations for a period of up to 30 years. The language provides that such a report will acknowledge that at the end of the lease term the Federal Government owns the border stations.

AMENDMENT NO. 2244

Mr. SHELBY offered an amendment (No. 2244) for Mr. BINGAMAN.

At the appropriate place, insert the following:

SEC. . ENERGY SAVINGS AT FEDERAL FACILITIES.

(a) REDUCTION IN FACILITIES ENERGY COSTS.—

(1) IN GENERAL.—The head of each agency for which funds are made available under this Act shall take all actions necessary to achieve during fiscal year 1996 a 5 percent reduction, from fiscal year 1995 levels, in the energy costs of the facilities used by the agency.

(2) COOPERATION BY GENERAL SERVICES ADMINISTRATION.—In the case of facilities under the administrative jurisdiction of the General Services Administration and occupied by another agency and for which the Administrator of General Services delegates operation and maintenance to the head of the agency, the Administrator shall assist the head of the agency in achieving the reduction in the energy costs of the facilities required by paragraph (1) by entering into contracts to promote energy savings and by other means.

(b) USE OF COST SAVINGS—An amount equal to the amount of cost savings realized by an agency under subsection (a) shall remain available for obligation through the end of fiscal year 1997, without further authorization or appropriation, as follows:

(1) CONSERVATION MEASURES.—Fifty percent of the amount shall remain available for the implementation of additional energy conservation measures and for water conservation measures at such facilities used by the agency as are designated by the head of the agency.

(2) OTHER PURPOSES.—Fifty percent of the amount shall remain available for use by the agency for such purposes as are designated by the head of the agency, consistent with applicable law.

(c) REPORT.—

(1) IN GENERAL.—Not later than December 31, 1996, the head of each agency described in subsection (a) shall submit a report to Congress specifying the results of the actions taken under subsection (a) and providing any recommendations concerning how to further reduce energy costs and energy consumption in the future.

(2) CONTENTS.—Each report shall—

(A) specify the total energy costs of the facilities used by the agency;

(B) identify the reductions achieved; and

(C) specify the actions that resulted in the reductions.

AMENDMENT NO. 2245

Mr. SHELBY offered an amendment (No. 2245) for Mr. HATCH, for himself, and Mr. BIDEN.

On page 3, strike lines 1 through 24.

On page 31, between lines 20 and 21, insert the following:

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

For necessary expenses of the Office of National Drug Control Policy; for research activities pursuant to title I of Public law 100-690; not to exceed $8,000 for official reception and representation expenses; *$28,500,000*, of which $20,500,000, to remain available until expended, shall be available to the Counter-Drug Technology Assessment Center for counternarcotics research and development projects and shall be available for transfer to other Federal departments or agencies: *Provided*, That the Office is authorized to accept, hold, administer, and utilize gifts, both real and personal, for the purpose of aiding or facilitating the work of the Office: *Provided further*, That not later than 60 days after the date of enactment of this Act, the Director of the Office of National Drug Control Policy shall report to the Committees on the Judiciary of the Senate and the House of Representatives on the results of an independent audit of the security and travel expenses of the Office during the period beginning on January 21, 1993, and ending on June 30, 1995: *Provided further*, That the Director of the Office of National Drug Control Policy shall, at the direction of the President, convene a Cabinet Council on Drug Strategy Implementation to be chaired by the Director of the Office of National Drug Control Policy: *Provided further*, That the Cabinet Council on Drug Strategy Implementation shall include, but is not limited to, the Attorney General, the Secretary of the Department of the Treasury, the Secretary of the Department of Health and Human Services, the Secretary of the Department of Defense, the Secretary of the Department of Housing and Urban Development, the Secretary of the Department of Education, the Secretary of the Department of State, and the Secretary of the Department of Transportation: *Provided further*, That the Cabinet Council on Drug Strategy Implementation shall convene on no less than a quarterly basis and provide reports on no less than a quarterly basis to the Appropriations Committees and the Judiciary Committees of the House of Representatives and the Senate on the progress of the implementation of the elements of the national drug control strategy within the jurisdiction of each member of the Counsel, including a particular emphasis on the implementation of strategies to combat drug abuse among children: Provided further, That the funds appropriated for the necessary expenses of the Office of National Drug Control Policy may not be obligated until the President reports to the Appropriations Committees of the House of Representatives and the Senate that the President has directed the Office of National Drug Control Policy to convene the Cabinet Council on Drug Strategy Implementation: *Provided further*, That, on a quarterly basis beginning ninety days after enactment of this Act, the funds appropriated for the necessary expenses of the Office of National Drug Control Policy may not be obligated unless the Cabinet Council on Drug Strategy Implementation has provided the quarterly reports specified herein to the Appropriations Committees and the Judiciary Committees of the House of Representatives and the Senate.

On page 32, between lines 23 and 24, insert the following:

FEDERAL DRUG CONTROL PROGRAMS

HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM

For necessary expenses of the Office of National Drug Control Policy's High Intensity Drug Trafficking Areas Program, $110,000,000 for drug control activities consistent with the approved strategy for each of the designated High Intensity Drug Trafficking Areas, of which no less than $55,000,000 shall be transferred to State and local entities for drug control activities; and of which up to $55,000,000 may be transferred to Federal agencies and departments at a rate to be determined by the Director: *Provided*, That the funds made available under this head shall be obligated within 90 days of the date of enactment of this Act.

On page 50, line 14, strike "$118,449,000" and insert "$113,827,000".

On page 57, line 9, strike "$96,384,000" and insert "$93,106,000".

Mr. HATCH. Mr. President, I rise today to propose an amendment, on behalf of myself and Senator BIDEN, which will restore funding for the Office of National Drug Control Policy, better known as the "drug czar's office."

The amendment funds the drug czar's modest budget—$9.3 million—without cutting a single dollar from law enforcement.

The issue this amendment presents to the Senate is whether, in the absence of any Presidential leadership in the drug war, can our Nation afford to eliminate the drug czar's office? Certainly not.

The success of the war against drugs rests with the Commander in Chief. Sadly, we have not had strong Presidential leadership in this anti-drug fight from President Clinton.

Through the 1980's and into the 1990's we saw dramatic reductions in casual drug use brought about through increased penalties, strong Presidential leadership, and a clear national anti-drug message. Casual drug use dropped by more than half between 1977 and 1992.

Under President Clinton's leadership, however, we are losing ground. Over the past 2 years, almost every available indicator shows that these gains have either stopped or been reversed.

The most recent edition of the National High School Survey reported a second year of sizable increases in drug use among our Nation's 8th, 10th, and 12th graders. Use of marijuana, LSD, and other drugs is on the rise, and young people are less worried about the dangers of drug use.

Last year's National Household Survey on Drug Abuse showed an increase in drug use after consistent declines—in many cases dating as far back as 1979.

More than 2 years ago, one well-known columnist described President Clinton's leadership role in developing and promoting a strong anti-drug policy as: "No leadership. No role. No alerting. No policy." [A.M. Rosenthal, N.Y. Times, March 26, 1993]. Sadly, what was true in 1993 is still true today.

President Clinton has abandoned many of the drug control efforts undertaken by his immediate predecessors. He has abandoned the bully pulpit to divisive voices.

President Clinton himself rarely speaks out against drug abuse—he has

not given a major speech on the subject in more than a year and a half—and he offers little, if any, moral support or leadership to those fighting the drug war in America or abroad. His former Surgeon General, for example, repeatedly called for consideration of drug legalization.

President Clinton has also cut Federal efforts to keep drugs from flowing into our cities and States.

Last year, President Clinton ordered a massive reduction in Defense Department support for interdiction efforts that have been preventing bulk shipments of drugs from reaching American streets.

The administration proposed deep cuts to the drug control budgets of the Defense Department, Customs, and the Coast Guard. Cocaine seizures plummeted. U.S. Customs cocaine seizures in the transit zone dropped 70 percent; and Coast Guard cocaine seizures are off by more than 70 percent.

The administration also accepted a one-third cut in resources to attack the cocaine trade in the source and transit countries of South America.

Domestic marijuana eradication efforts led by the Federal Government have been substantially reduced. And finally, the Clinton administration has injured cooperative efforts with source country governments, such as when it ordered the United States military to stop providing radar tracking of drug-trafficking aircraft to Columbia and Peru.

Having gutted our Federal efforts to stop drugs from arriving here, President Clinton has hamstrung efforts to deal effectively with them once they hit our streets. Upon taking office, President Clinton promoted the drug czar to Cabinet level, but then slashed the drug czar's staff by 80 percent.

The President allowed the DEA to lose 198 drug agents over 2 years. The President also proposed a fiscal year 1994 budget that would have cut 621 further drug enforcement positions from the FBI, the DEA, the INS, Customs, and the Coast Guard.

The Clinton administration claimed it was implementing a so-called controlled shift in Federal drug policy. Instead, President Clinton appears to have adopted a reckless abdication drug policy.

This lack of leadership surrendered for a time much of our previous international intelligence capability to the drug cartels; it retreats on tough law enforcement efforts; subjects Federal law enforcement to unprecedented personnel reductions; and weakens Federal prosecution of drug offenders.

Mr. President, this failed Presidential record is why we need to preserve the drug czar's office. Congress needs to be able to hold this President accountable for being invisible on the drug issue.

Some may wonder why a fiscal conservative like myself would be advocating more money for any Federal office. I am not known as one who believes in preserving bureaucracy.

So, then, why am I sponsoring this amendment?

Because, Mr. President, we must not give the American people the impression that this Congress condones President Clinton's abdication of responsibility.

Perhaps A.M. Rosenthal put it best when he wrote in yesterday's New York Times that:

> Mr. Clinton's leadership has sometimes seemed to us anti-drug types as ranging from absent to lackadaisical. But for Congress to hobble the war by wiping out its coordinator seems a strange way of inspiring the President or the country. [New York Times, August 4, 1995].

Mr. President, drugs are killing our country. They are contributing to a wide range of devastating effects on all Americans, particularly our children and youth. Drugs contribute to crime, the break-up of marriages and families, lower productivity in the workplace, and many other societal problems.

If President Clinton does not take the drug issue seriously, someone has to. Today, Mr. President, that someone is, I hope, each one of us.

If the drug office is dismantled, and responsibility is diluted among the 50-plus departments and agencies involved in drug control, then the President will be able to evade accountability.

No one will be in charge, no one will be responsible, and instead of the current lack of aggressiveness—which by the way can be fixed if the White House wants to fix it—we will have institutionalized drift.

Even William Bennett, hardly a friend of government spending or close ally of the Clinton administration, has conveyed to me that he supports keeping the office open.

Obviously, Lee Brown and I have a major differences about what is and what isn't an effective drug strategy. At the same time, I want to emphasize that those differences are differences of policy and approach. Notwithstanding our differences, at least Director Brown is the one person in this White House who seems to care about the drug issue. I don't believe we should punish the administration's poor policies by eliminating the office of its only Presidential coordinator.

Let me draw an analogy. Last week, an overwhelming majority of the Senate went on record as being opposed to the Clinton administration's failed policy of lack of leadership in Bosnia.

Yet, although the Senate differed with the President's policy, no one seriously suggested eliminating the National Security Council, which has been formulating administration policy. A move to cut the NSC would have been called shortsighted.

Why then is such a proposal to eliminate the Office of National Drug Control Policy and less shortsighted when it comes to our Nation's drug policy?

To those who think the drug czar's office needs to be reorganized, and who are concerned at reports of excessive travel spending, I share your concerns.

The Senate Judiciary Committee will be looking at changes to the drug czar's staffing and mission, and the pending Hatch-Biden amendment will require an independent audit of the drug czar's travel spending and security budget.

If we are to succeed in the drug war, we need Presidential leadership. In the absence of such leadership, we need a drug czar all the more.

President Clinton has failed to stand behind his drug czar. Congress should not reward him for doing so by eliminating this office.

I urge my colleagues to support this amendment.

Mr. BIDEN. Mr President, the drug office provides the accountability and single point of contact necessary for Congress to exercise oversight of Federal drug strategy.

The drug strategy and the drug budget provides the only single document that details our national drug strategy.

When he was Director, William Bennett testified before the Senate Judiciary Committee in February 1990:

> [A] year ago [before drug office was law], if you had asked for a comprehensive picture of national drug policy, you had to go to over 30 different agencies. Not anymore. William Bennett, testimony, February 2, 1990.

Also, this is not a debate about the drug strategy. This is a debate about whether we have a drug strategy.

I disagreed with elements of the strategy proposed by Director Bennett, Director Martinez, and Acting Director Walters. But, if we did not have a drug strategy, we could never have had a drug policy debate.

To illustrate this point, I would point out that there are 85 departments, agencies, offices, and bureaus that make up the Federal antidrug effort. The drug director is the only person who is dedicated full time to bringing any order to this effort.

This year the Federal Government will spend $13.3 billion fighting against drugs. The President proposes that we spend $14.6 billion next year. I do not want to debate the specifics of the drug strategy.

My point is that with so much money being spent, we ought to be able to debate how we are going to spend these dollars. And, we can only debate if there is a policy for us to discuss. And there is only a drug policy if we have a drug strategy.

This amendment serves one central purpose: To make sure that we have a full-time general in command of our war on drugs.

Although drugs have dropped off of the media's radar screen for the moment, we cannot be lulled into a sense

of complacency on this issue. Drug-related violence still shatters the night in cities, towns, and rural hamlets all across the country; hard-core addicts roam the streets in as great numbers as ever; and the recent surveys by the National Institute on Drug Abuse tell us that teenagers may be forgetting the lessons we have taught them over the past few years: Use of marijuana, LSD, and inhalants is on the rise among our young people.

This is no time to eliminate the drug office—we must redouble our efforts. We must bolster, not obstruct our Nation's ability to develop and mount an all-out attack on the drug scourge.

I am gratified that the Senate has worked in a bipartisan fashion to continue—and bolster—the Office of National Drug Control Policy.

TO PRESERVE THE OFFICE OF NATIONAL DRUG CONTROL POLICY

Mr. KENNEDY. I strongly oppose the provision in this bill that would eliminate the Office of National Drug Control Policy, and in support of the Hatch-Biden amendment to restore most of the funding for this office.

I am pleased that the managers have agreed to accept this important improvement in the bill.

Despite considerable progress over the past decade, drug abuse is still rampant in the United States, and continues to have catastrophic social consequences. Drug abuse hurts worker productivity, increases health care costs, and has burdened the Nation's criminal justice system to the breaking point. It remains a major concern of parents and community leaders throughout the country.

Let's remember why we authorized appointment of a drug czar in the first place. In 1988, we passed comprehensive antidrug legislation. We enacted tougher sentences for drug crimes, broadened drug interdiction efforts, and increased funding for treatment and prevention.

We also recognized that throwing money at the drug problem was not the answer. Instead, we needed a coordinated national strategy to wage the drug war. We wanted to be tough on drugs, but we also wanted to be smart on drugs. That's why the 1988 bill created the Office of National Drug Control Policy, known as the drug czar's office.

The drug czar has not been able to close every open-air drug market. He has not eliminated every waiting list for drug treatment. He has not cut off the flow of drugs from South America. But he has helped to focus the attention of the country, and his fellow Cabinet members, on the impact of drug abuse. And he has helped to marshal and prioritize Federal resources to wage a more effective battle against drugs.

The pending bill would turn back the clock and eliminate the drug czar's office. I disagree with that decision, and I am especially disturbed at the lack of consideration accompanying it.

There have been no hearings in the Judiciary Committee. Indeed the committee is united in support of the Hatch-Biden amendment to preserve the Office.

The report accompanying this bill contains a bare two paragraphs of explanation: the appropriations subcommittee says that "[d]rugs and drug-related violence remain the scourge of our Nation. The committee is very concerned that the administration has moved the war on drugs from a top priority, and that is reflected by this Office's invisibility. The committee believes that the funding provided to operate this Office can be far better utilized on the front lines and has taken action accordingly."

The logic of that argument escapes me. If the subcommittee believes that the drug czar has been insufficiently visible, why eliminate his office? If drugs are the scourge of the Nation, why eliminate the Office that coordinates the Federal antidrug effort? The $9 million used to fund the Office is less than one-tenth of 1 percent of the antidrug budget, and adding that sum to the front-line effort won't make a bit of difference.

But eliminating the Office would gravely undermine the goal of coordination and send precisely the wrong message to parents and teenagers. Our allies around the world who argue that the United States needs to do more, not less, to reduce its demand for drugs would be shocked if we took such action.

In contrast to the sketchy treatment of this subject in the Senate report, the report of the House subcommittee contains substantial criticism of the current drug czar, Lee Brown, for focusing too much attention on prevention and treatment efforts. That, of course, has been the real strength of the current drug czar. Dr. Brown has emerged as a skilled advocate for demand-reduction efforts both within and outside the administration.

This drug czar doesn't travel around the country holding press conferences every day, like some earlier occupants of his office. But Dr. Brown has spent every single day in office fighting for the proposition that we need more drug treatment and antidrug education in this country, not less. He has justifiably taken Congress to task when we have failed to meet the targets in the administration's antidrug budget. I, for one, respect him for that.

Under the stewardship of Dr. Brown, the Federal antidrug effort has enjoyed notable successes in recent years. In New York, Los Angeles, Houston, Baltimore, and other cities, several drug trafficking and money laundering organizations have been exposed and dismantled. The Southwest border has been strengthened.

The drug czar's office has been instrumental in persuading Colombia—the source of 80 percent of the cocaine that reaches our shores—to take a more aggressive stand against the cocaine cartels. The Office deserves neither the credit for every success, nor the blame for every failure. But it has worked well, and it is accomplishing the central task of reducing duplication and overlapping Federal antidrug programs.

This is no time to abandon our effort. The Federal Government must send a clear message to families and communities that it is strongly committed to a national drug control policy.

As the most recent high school senior survey demonstrates, the war on drugs is far from won: In 1994, 45 percent of all high school seniors reported having used an illegal drug at least once; the percentage of high school seniors who reported using an illegal drug within the past year rose to 35 percent, up nearly 5 percent from 1993; 3.6 percent of eighth graders had used cocaine at least once; 20 percent of eighth graders had used inhalants at least once.

In my view, these statistics make the case for a more balanced drug strategy that emphasizes drug abuse prevention. They argue for expanding the mandate and authority of the drug czar, in order to help wage a more effective battle against illegal drugs. But surely these statistics provide no support at all for those who seek to eliminate the drug czar's office. That route is nothing short of a surrender in the war on drugs, an admission of failure that all of us should reject.

I welcome adoption of the Hatch-Biden amendment.

THE ELIMINATION OF THE OFFICE OF NATIONAL CONTROL POLICY

Mr. MACK. Mr. President, why are we here today considering the elimination of the Office of National Drug Control Policy [ONDCP]? It is not that they have worked themselves out of a job. Indeed, all indications suggest that drug usage and availability have reversed their course and are now on the rise.

Frankly, the performance of this office—or rather lack thereof—has led us to this point. Their silence on the scourge of drugs, coupled with their diminished support of interdiction activities, has sent a clear message to the drug cartels and to the American people. That message is that this administration is apathetic with respect to the issue of drug trafficking and drug use.

Under this administration, every passing year has witnessed additional cuts in overall interdiction funding. According to numbers provided by the Office of National Drug Control Policy, interdiction funding has been cut by approximately $700 million since 1991. This amounts to more than a 25-percent reduction.

Moreover, the administration's source country strategy has diverted

scarce assets and diminished our capabilities in transit and border interdiction activities. While the strategy of source country interdiction is conceptually sound, the reality is that it leaves us susceptible to the decisions of sovereign nations on whether or not to cooperate with the United States.

In a letter sent to President Clinton in January of this year I, along with Senators DOLE and HATCH, expressed our concern over this source country emphasis at the expense of our transit and border interdiction capabilities. Shortly thereafter the President delivered to the Congress his budget which once again contained less funding for drug interdiction activities. It appears the President missed the message.

I am unconvinced that the Office of National Drug Control Strategy is doing all it can to support the agencies involved in interdiction activities. Based on the statistics I've seen and on the information I've acquired from various law enforcement officials, I would suggest ONDCP has not done enough. Not enough in budgetary support and not enough in verbal advocacy.

Reliable groups who gather drug-related data have independently verified that drug usage is rising. Indeed, a variety of variables that these groups analyze indicate the United States is failing in its interdiction efforts. For instance, cocaine and heroin emergency room admissions have been rising since 1992—Drug Abuse Warning Network [DAWN]. Drug usage among high school students, 8th to 12th grade, has also been rising over this same period—monitoring the future study. Finally, the data also shows that as interdiction funding has dropped, so to has the price of cocaine. Cocaine is now more affordable that it has been at any time over the last 6 years—DAWN.

Last year, the Commandant of the Coast Guard was tasked with coordinating and representing all law enforcement agencies involved in drug interdiction to the Office of National Drug Control Policy. The Commandant informed Lee Brown, Director of ONDCP, of the various agencies' dissatisfaction over their interdiction budgets. It would appear that the concerns of the people in the field and the mission they are asked to perform are just not a priority for this administration.

While created with the laudable goal of coordinating the many agencies involved throughout the Government in fighting the scourge of drugs through interdiction, education, and treatment, ONDCP has fallen short of its responsibilities—especially in the interdiction effort.

The elimination of this office should not be viewed as a signal that the Congress has given up on drug interdiction, indeed just the opposite is the case. The elimination of this office should, in no uncertain terms, signal the administration that not enough is being done and that their support of interdiction activities has been inadequate.

I believe President Clinton would send a strong signal to the American people by increasing his support of interdiction activities.

AMENDMENT NO. 2245, AS MODIFIED

Mr. SHELBY offered an amendment (No. 2245) as modified, for Mr. HATCH, for himself and Mr. BIDEN.

AMENDMENT NO. 2246

Mr. SHELBY offered an amendment (No. 2246) for Mr. COVERDELL.

On page 2, line 21, strike "$105,929,000" and insert "$110,929,000, of which $5,000,000 shall be transferred to States covered by the National Voter Registration Act of 1993, to be expended by such States for costs associated with the implementation of the National Voter Registration Act of 1993, with such funds disbursed to such States on the basis of the number of registered voters in each State on July 1, 1995, in relation to the number of registered voters in all States on such date": *Provided* that no further funds in addition to the $5,000,000 so transferred, may be transferred by the Secretary to the States for costs associated with the implementation of the National Voter Registration Act of 1993 during Fiscal Year 1996.

On page 46, line 12, strike "$2,329,000,000" and insert "$2,324,000,000".

AMENDMENT NO. 2247

Mr. SHELBY (for Mr. BROWN, for himself and Mr. KERREY) offered an amendment (No. 2247) as follows:

(Purpose: To limit the amount of leave that Senior Executive Service employees may accumulate to 60 days)

At the appropriate place in the bill, insert the following:

SEC. . (a) Section 6304(f) of title 5, United States Code, is amended—

(1) in paragraph (2) by striking "described in paragraph (1)" and inserting "for an individual described subparagraphs (B) through (E) of paragraph (1)"; and

(2) by adding at the end the following:

"(3) For purposes of applying any limitation on accumulation under this section with respect to any annual leave for an individual described in paragraph (1)(A)—

"(A) '30 days' in subsection (a) shall be deemed to read '60 days'; and

"(B) '45 days' in subsection (b) shall be deemed to read '60 days'.".

(b)(1) The amendments made by subsection (a) shall take effect January 1, 1996.

(2) Any individual serving in a position in the Senior Executive Service on December 31, 1995 may retain any annual leave accrued as of that date until the leave is used by that individual.

Mr. BROWN. Mr. President, the amendment that Senator KERREY and I have sponsored on the executive service leave changes the amount of leave one can accrue and in effect be paid for at a later date.

Most Federal employees right now fall under a circumstance where they can accrue 30 days. That is, you can accrue up to 30 days, but after 30 days, if you accrue more than that, you do not get it. You do not get paid for it. But currently Senior Executive Service people get special treatment. Instead of being limited to the 30 days that everybody else gets, they get 90 days. Thus, the reason for the amendment that we have sponsored and will adopt. It moves it down to 60 days.

Mr. President, my own feeling is that they ought to be treated like everyone else. They ought to be limited to 30-days. But movement from 90 days to 60 days is movement in the right direction. I do intend, though, in future pieces of legislation to address this issue again, and my hope is we will eventually move this down to the same treatment everyone else gets—30 days.

I should be quite clear; the overtime already accumulated by personnel would remain with the employee until used. In other words, it is not retroactive and the amendment would not affect overtime accrued by Senior Foreign Service personnel, Defense Intelligence Senior Management Executive Service, the Senior Cryptological Executive Service, and the FBI and the DEA Senior Executive Service.

Mr. President, we ought to be thinking about consistent rules for everyone in this area, and it is an area I think is worth pursuing.

AMENDMENT NO. 2248

Mr. SHELBY offered an amendment (No. 2248) for Mr. LAUTENBERG.

At the appropriate place, insert the following:

SEC. . TRANSFER OF CERTAIN FEDERAL PROPERTY IN NEW JERSEY.

The first section of the Act entitled "An Act transferring certain Federal property to the city of Hoboken, New Jersey", approved September 27, 1982 (Public Law 97-268; 96 Stat. 1140), is amended—

(1) in subsection (a), by adding "and" at the end; and

(2) by striking "Stat. 220), and" in subsection (b) and all that follows through "New Jersey; concurrent with" and inserting the following: "Stat. 220); concurrent with".

AMENDMENT NO. 2249

Mr. SHELBY offered an amendment (No. 2249) for Mr. GRASSLEY, for himself, and Mr. HEFLIN, Mr. ROTH, Mr. LEVIN, Mr. KOHL, Mr. THURMOND, and Mr. GLENN.

On page 33, insert between lines 1 and 2 the following:

ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

SALARIES AND EXPENSES

For necessary expenses of the Administrative Conference of the United States, established under subchapter V of chapter 5 of title 5, United States Code, including not to exceed $1,000 for official reception and representation expenses, $1,800,000.

On page 35, line 22, strike out "$5,087,819,000," and insert in lieu thereof "$5,086,019,000,".

On page 46, line 12, strike out "$2,329,000,000," and insert in lieu thereof "$2,327,200,000,".

On page 48, line 12, strike out "$5,087,819,000," and insert in lieu thereof "$5,086,019,000,".

Mr. GRASSLEY. Unfortunately, Mr. President, the Administrative Conference of the United States has been

zeroed out by the House and Senate Appropriations Committee. In the absence of this amendment, there would be no funding at all for the Conference. The Administrative Conference is the only permanent, independent watchdog over the excesses and waste in regard to agency rules and rulemaking. It is a very small agency with a very important role in the Government. It is charged with the responsibility of identifying and recommending improvements to the administrative procedures of Federal agencies, a function that has only become more important.

Administrative process and procedure is the central function of the Federal Government. The Conference's sole purpose is to objectively and fairly develop improvements to this administrative process.

There are some that argue that the valuable work that ACUS does can be done equally as well by other agencies. This is not true, however, as ACUS is unique in its ability to provide objective, fair, nonpartisan, nonideological improvements to the efficiency of government.

The Subcommittee on Administrative Oversight and the Courts, which I chair, recently held a hearing on the reauthorization of ACUS. In a letter to the subcommittee, Supreme Court Justice Scalia, a former Conference Chairman and present member, noted the benefits of ACUS: "The Conference seeks to combine the efforts of scholars, practitioners, and agency officials to improve the efficiency and fairness of the thousands of varieties of Federal agency procedures. In my judgment, it is an effective mechanism for achieving that goal, which demands change and improvement in obscure areas where bureaucratic inertia and closed-mindedness often prevail." By the way, Supreme Court Justice Breyer is also a member.

To delegate ACUS' important responsibilities to the Department of Justice, as some have suggested, would be to have the fox guarding the hen house. We have seen in the recent regulatory reform debate how partisan and nonobjective the Justice Department can be. ACUS is an agency that is not likely to make a lot of friends because many of its recommendations force agencies to be more efficient and more accountable. This is all the more reason for it to continue.

ACUS is not an ideological or a partisan agency. In testimony before the Administrative Oversight and the Courts Subcommittee, Judge Loren Smith, Chief Judge of the U.S. Court of Federal Claims said: "With a government as large and complex as ours has become; there must be a place where the administrative process can be analyzed from a relatively policy neutral perspective." To entrust the responsibility of oversight to a partisan agency would be foolish.

Mr. President, it is wise to invest a small amount of money to maintain a permanent, independent watchdog over the fairness, efficiency, and effectiveness of the detailed workings of the administrative process. The return on the money invested here justifies its small budget. In a hearing before the Subcommittee on Administrative Oversight and the Courts, Jim Miller, the former head of the Office of Management and Budget under President Reagan, said: "As you know I am a fierce advocate of downsizing the Federal Government and reducing the number of agencies and programs. The way to do this is to pare back those operations that generate the least bang for the taxpayers' buck. I submit that ACUS is not one of these." Mr. President, the Conference's value lies in its ability to streamline and save money. Its value far, far exceeds its costs.

And, Mr. President, our amendment is budget neutral since the small amount of funding for ACUS will be taken from the General Services Administration account. Therefore, this amendment will not add to the Federal deficit.

Some have mistakenly argued that ACUS doesn't do anything meaningfull. Well, these arguments come from those who do not have to deal with the complexity and burdens of the regulatory process.

Just a few of the major accomplishments of ACUS include the following:

First, regulatory reform: In the comprehensive regulatory reform legislation S. 343, that the Senate has been considering, the Conference was relied upon for their expertise in this area, and a number of ACUS' recommendations were made part of the bill. And when the legislation was before the Subcommittee on Administrative Oversight and the Courts, which I chair, ACUS recommendations were relied upon.

Second, alternative dispute resolution: ACUS has explored alternatives to costly litigation such as mediation and alternative dispute resolution. By adopting the Conference's recommendations, agencies have saved millions of dollars of taxpayer's money. I will soon be introducing a permanent extension of the Agency Dispute Resolution Act which is based on ACUS' recommendations.

Third, simplying Government contracting: Through a number of recommendations, ACUS has succeeded in streamlining the Federal contracting process, a procurement system which accounts for $200 billion in expenditures each year. This was accomplished through amending the jurisdictional requirement in certification of Federal contracts. The potential for further savings here are enormous.

Fourth, negotiated rulemaking: OMB has utilized ACUS as a reg neg resource center for agencies undertaking negotiated rulemaking, a cutting edge reform which allows for enormous improvement in Government. This is accomplished by revolutionizing the way which agencies come up with rules. Under this reform, parties who would be affected sit down with the agency and discuss the ramifications of proposed regulations, and hopefully, come up with a negotiated agreement.

Fifth, equal access to justice: The Conference played a key role in enacting the Equal Access to Justice Act. ACUS was assigned by Congress the responsibility to ensure executive branch compliance. While there was some institutional hostility to the changes, the model rules that ACUS had drawn up, were eventually adopted by all agencies. The Conference continues its work on this issue, most notably in its recent recommendation for streamlining attorney's fee litigation.

Sixth, Contract Disputes Act: The Conference recommended changes to the Contract Dispute Act. This legislation has worked well over these last 3 years, eliminating an enormous amount of needless litigation.

The Administrative Conference is not your typical agency. It is small, it has no natural constituency, and it is vital to the success of any governmental reform efforts. Its budget is small, and it saves much more than it costs. I must repeat the words of Chief Judge Smith from his testimony:

> I argue for the reauthorization of the Administrative Conference not because it is good for the Conference, or its able chair, but rather because it is good for America. It will help make this huge Federal Government a little more fair for our citizens, be they small business people, farmers, workers, children, property owners, conservationists, or taxpayers.

Mr. President, we in the Congress need all the help we can get in keeping an eye on what many view as an out-of-control Federal bureaucracy. Overall, the manager of the bill, Senator SHELBY has done an excellent job in crafting a responsible bill that helps put us on the road to a balanced budget. I support his efforts on many tough decisions he had to make regarding this bill.

But, on this one very small item, I just think that we are literally being penny wise and pound foolish. So, I urge my colleagues to join in support of this effort for a more efficient and more accountable Government.

Mr. HEFLIN. Mr. President, I rise today as a cosponsor of an amendment offered by my friend and colleague Senator GRASSLEY to restore funding for the Administrative Conference of the United States.

The Judiciary Subcommittee on Administrative Oversight and Courts, which is chaired by Senator GRASSLEY, and upon which I serve as ranking member has just concluded a hearing on Wednesday, August 2, 1995, relative to the Conference's reauthorization. At

that hearing a panel of distinguished witnesses testified on behalf of the continued authorization for this small, but vital independent agency whose purpose is to promote the efficiency, adequacy, and fairness by which Federal agencies conduct regulatory programs, administer grants and benefits, and perform related government functions.

The witnesses who testified before our subcommittee were the Hon. Thomasina Rogers, chairwoman of the Conference, the Hon. Loren Smith, chief judge of the Court of Federal Claims and a former chairman of the Conference, Thomas Susman, a prominent Washington lawyer and former staff member of the Judiciary Committee, and James Miller III, former Director of the Office of Management and Budget under President Ronald Reagan. That is quite a cross-section of individuals and reflect the broadbased, non-ideological support that the Conference enjoys by the legal and academic community across the nation.

We are living in a time of retrenchment, when the Federal Government is cutting back and trying to do more with less. The question we must ask ourselves as policy makers is "does eliminating the Conference make good common sense"? I believe the answer is "no" and will elaborate today on why it is good policy to continue the valuable work this agency performs on behalf of the American taxpayer.

Former OMB Director Jim Miller put it succinctly at the hearing when he asked: "Does the Conference produce value for money"? That is "putting the hay down where the goats can eat it," as we say back in Alabama.

First let me share some background with my colleagues who may not be familiar with the work that the Conference does. As I have mentioned, the Conference seeks to improve the fairness, adequacy, and efficiency of the regulatory process with a unique combination of public and private cooperation between government officials and private citizens who volunteer their time and expertise. The Conference has leveraged its rather modest $1.8 million appropriation with hundreds of thousands of dollars of estimated donated time from private citizens to conduct the necessary work to advise the executive, legislative, and judicial branches of the Federal Government.

The Conference was established by law in 1964 to make recommendations on needed improvements to the regulatory process and to serve as sort of a clearinghouse for all of the Federal agencies in this regard. We in Congress have given the agency additional statutory duties over the years under the Administrative Dispute Resolution Act, the Negotiated Rulemaking Act, and the recently enacted Congressional Accountability Act, and the proposed Comprehensive Regulatory Reform Act.

Let me give you a concrete example. Under the Administrative Dispute Resolution Act, the Conference has assisted in carrying out the act's goals of cutting down on unnecessary Government litigation when cheaper and quicker alternatives could be used to the benefit of the Government and the taxpayer. The Conference instituted a computerized roster that now contains the names of hundreds of neutral mediators who are available to assist agencies in resolving their problems.

The Conference has also sponsored an initiative which allows agencies to use each other's employees as an alternate source of low cost, high quality mediators. And importantly, the Conference organized a series of interagency working groups bringing together people from dozens of agencies to work cooperatively on projects no one agency would likely undertake on its own. This is the point I am trying to make—the Conference is a clearinghouse for all of our Federal agencies with regard to improving the administrative process of the Federal Government.

Let us look at another concrete example of how the Conference works on behalf of the taxpayer to say him time and money. The Conference recently cosponsored with the Office of Federal Procurement Policy a program in which agencies agreed to work toward a partnership with private sector companies to reduce the number of contract claims filed under the Contract Disputes Act. This was achieved by using alternative dispute resolution techniques, and 24 agencies signed a pledge committing them to enhanced use of ADR techniques.

Other savings to the taxpayer were presented at the subcommittee hearing. The Federal Deposit Insurance Corporation, relying on a Conference recommendation, began a pilot mediation program that saved more than $9 million in legal fees in the first 18 months. The U.S. Information Agency used ADR techniques to settle its largest contract claim—$1 million in interest charges alone were saved. A pilot project by the Department of Labor, which worked closely with the Conference, reduced the cost of litigation in enforcement cases resolved by mediation by up to 17 percent and expedited the resolution of those disputes by 6 months. Finally, the Army Corps of Engineers reports that its use of ADR techniques has reduced its contract claims from more than 1,000 in 1988 to slightly more than 300 in 1992.

I have perhaps gone on too long for my colleagues in outlining some of the concrete results, but just these alone answer former OMB director Jim Miller's question: "Does the Conference give value for money"? The short answer is "yes" it does.

In closing I would like to enter into the CONGRESSIONAL RECORD a copy of a letter written to the Hon. RICHARD SHELBY, chairman of the Senate Appropriations Subcommittee on Treasury, Postal Service, and General Government and to the Hon. ROBERT KERREY, ranking member of that subcommittee, which supports continued funding for the Conference. The letter is signed by numerous private sector members of the Conference including private practitioners, public interest groups, law professors, and a State Supreme court justice.

Let me read from it a brief excerpt.

The Administrative Conference may be one of the most economically efficient uses of taxpayer dollars in the government. Its present budget is $1.8 million. Its work in ADR alone has been the catalyst for tens of millions of dollars of savings by government agencies and the private sector. It should be allowed to continue this important cost-saving work.

Mr. President, that succinctly states why I am cosponsoring this amendment to restore the modest funding to this small, but vital nonpartisan independent agency. It does deliver value for money. It should continue its service to the American people.

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

JULY 20, 1995.

Hon. RICHARD C. SHELBY,
Chairman, Subcommittee on Treasury, Postal Service and General Government, Senate Committee on Appropriations, Hart Senate Office Building, Washington, DC.

Hon. J. ROBERT KERREY,
Ranking Member, Subcommittee on Treasury, Postal Service and General Government, Senate Committee on Appropriations, Hart Senate Office Building, Washington, DC.

DEAR MR. CHAIRMAN AND SENATOR KERREY: We, the undersigned private-sector members of the Administrative Conference, are writing to urge you to continue to support funding for the Administrative Conference of the United States (ACUS).

Created in 1964, ACUS is uniquely bipartisan and a special blend of public and private input. By teaming government officials with private citizens who volunteer their time and expertise, ACUS leverages its small appropriation into hundreds of thousands of dollars of donated time to conduct basic research and give advice and assistance to the Congress, the President, federal agencies, and the federal judiciary on difficult issues of administrative law, regulation and rulemaking, and fairness and efficiency in government procedures. In recent years ACUS has been a major architect and proponent of government use of alternative dispute resolution (ADR), which replaces costly and time-consuming litigation with various consensual techniques that save money for both the government and private sector and enhance the public's participation in the governmental process. Indeed, ACUS is now the most important repository of expertise and information about ADR. Because ACUS' sole goal is the improvement of the regulatory process, and its approach is nonpartisan and nonideological, its recommendations have an exceptionally high rate of acceptance.'

Congress uses ACUS as a recognized source of impartial expertise. In enacting its very first piece of legislation this session, the

Congressional Accountability Act of 1995, Public Law 1054–1. Congress gave the Administrative Conference the statutory responsibility for examining and making recommendations regarding the implementation of the numerous health, safety and labor statutes that will now apply to three congressional agencies—the Library of Congress, the General Accounting Office, and the Government Printing Office.

The Dole regulatory reform bill currently under Senate consideration, S.343, as well as the bill unanimously reported out of the Government Affairs Committee, S. 291, and the recently introduced Glenn bill, S. 1001, include important new oversight responsibilities for ACUS. In selecting ACUS to undertake these new responsibilities, the Governmental Affairs Committee observed:

Because ACUS is comprised of respected experts and practitioners representing a wide range of perspectives and interests, and has a record of developing unbiased, practical solutions to regulatory problems, the Committee believes that this agency is well suited to producing the studies and recommendations needed to fulfill the intent of section 5 [of the bill.]. Report of the Senate Committee on Governmental Affairs, S. Rep. No. 104–88, p. 57 (May 25, 1995).

The Administrative Conference may be one of the most economically efficient users of taxpayers dollars in the government. Its present budget is $1.8 million. Its work in ADR alone has been the catalyst for tens of millions of dollars of savings by government agencies and the private sector. It should be allowed to continue this important cost-saving work. It has developed a program to complement current Administration and Congressional initiatives and address the details that must be resolved if regulatory reform and reinvention efforts are to be implemented successfully. Even if its job were solely to monitor and improve regulatory changes that may emerge from this Congress, that would be reason enough to retain it.

In short, we urge you to support continuous funding for ACUS.

Sincerely,

Joseph A. Morris, Esquire, Morris, Rathman & De La Rosa, Chicago, IL.

Richard E. Wiley, Esquire, Wiley, Rein & Fielding, Washington, DC.

David C. Vladeck, Esquire, Director, Public Citizen Litigation Group, Washington, DC.

Dr. James C. Miller, III, Counsellor, Citizens for a Sound Economy, Washington, DC.

Justice Marian P. Opala, Supreme Court of Oklahoma, Oklahoma City, OK.

Warren Belmar, Esquire, Partner, Fullbright & Jaworski, Washington, DC.

Thomas M. Susman, Esquire, Ropes & Gray, Washington, DC.

Paul D. Kamenar, Esq., Executive Legal Director, Washington Legal Foundation, Washington, DC.

Edward F. Benavidez, Esquire, Benavidez Law Firm, Albuquerque, NM.

Arthur E. Bonfield, Professor of Law and Associate Dean for Research, College of Law, The University of Iowa, Iowa City, IA.

Marshall J. Breger, Visiting Professor, Catholic University of America, School of law, Washington, DC.

Dr. Thomas D. Hopkins, Arthur J. Gosnell Professor, Rochester Institute of Technology, Rochester, NY.

Robert A. Anthony, Professor, George Mason University School of Law, Arlington, VA.

Caryl S. Bernstein, Esquire, Senior Counsel, Shaw, Pittman, Potts & Trowbridge, Washington, DC.

Elliot Bredhoff, Esquire, Bredhoff & Kaiser, Washington, DC.

Clark Byse, Professor Emeritus, Harvard Law School, Cambridge, MA.

Ronald A. Cass, Dean, Boston University School of Law, Boston, MA.

Ernest Gellhorn, Professor of Law, George Mason University, Arlington, VA.

Sandra J. Hale, Esquire, President, Enterprise Management International, Minneapolis, MN.

Robert M. Kaufman, Esquire, Partner, Proskaner, Rose, Goetz & Mendelsohn, New York, NY.

Randolph J. May, Esquire, Sutherland, Asbill & Brennan, Washington, DC.

William R. Neale, Esquire, King, DeVanlt, Alexander & Capehart, Indianapolis, IN.

Philip A. Fleming, Esquire, Partner, Crowell & Moring, Washington, DC.

Walter Gellhorn, Professor Emertius, Columbia University School of Law, New York, NY.

Robert A. Katzmann, Walsh Professor American Government and Professor of Law, Georgetown University, Washington, DC.

Richard J. Leighton, Esquire, Keller & Heckman, Washington, DC.

Alan B. Morrison, Esquire, Public Citizen Litigation Group, Washington, DC.

Owen Olpin, Esquire, Senior Partner, O'Melveny & Myewrs, Los Angeles, CA.

Max D. Paglin, Esquire, Golden-Jubilee Commission on Telecommunications, Washington, DC.

Reuben B. Robertson III. Esquire, Ingersoll & Bloch, Chartered, Washington, DC.

Harold L. Russell, Esquire, Smith, Gambrell & Russell, Atlanta, GA.

Peter L. Strauss, Professor, Columbia University School of Law, New York, NY.

Steven G. Gallagher, Esquire, Senior Vice President, American Arbitration Association, Washington, DC.

Lawrence B. Hagel, Esquire, Deputy General Counsel, Paralyzed Veterans of America, Washington, DC.

Jaime Ramon, McKenna & Cimeo, L.L.P., Dallas, TX.

Victor G. Rosenblum, Professor, Northwestern University School of Law, Chicago, IL.

Girandeau A. Spam, Professor, Georgetown University Law Center, Washington, DC.

James E. Wesner, Esquire, University General Counsel, University of Cincinnati, Cincinnati, OH.

Edward L. Weidenfeld, Esquire, Weidenfeld & Rooney, P.C., Washington, DC.

David G. Hawkins, Esquire, National Resources Defense Council, Washington, DC.

Betty Jo Christian, Esquire, Steptoe & Johnson, Washington, DC.

Janet E. Belkin, Esquire, Chair, Section on Administrative Law & Regulatory Practice, American Bar Association.

Brian C. Griffin, Esquire, Griffin & Griffin, Oklahoma, OK.

Jonathan Rose, Esquire, Professor, Arizona State University, Tempe, AZ.

Mr. LEVIN. Mr. President, I rise today to urge my colleagues to restore funding to the Administrative Conference of the United States.

The Administrative Conference, or ACUS, is a small agency in the executive branch with an important mission and a very broad scope. It is charged with the responsibility of identifying and recommending improvements to the administrative procedures of our Federal agencies, and for more than 25 years ACUS has commendably carried out that responsibility.

The backbone of our Federal agencies is the administrative process. The administrative process includes the issuance of regulations, the adjudication of individual claims for benefits, the award of licenses, and the debarment of fraudulent and nonperforming contractors. There's not much that a Federal agency does that doesn't involve administrative process.

It is understandable, then, that when Vice President GORE went looking for key elements to reform the way our Federal agencies carry out their responsibilities, he focused in on the administrative process. When he did so, he saw the work of ACUS as an important asset to achieving real progress. Streamlining the administrative process is the main goal of the National Performance Review, and ACUS is the key vehicle the administration intends to use to reach that goal. The bill we are now considering would undermine the cause of regulatory reform, because it fails to provide any funding for ACUS.

Let us look quickly at some of the specific tasks that we in Congress have directed ACUS to take on. The Regulatory Negotiation Act, which I authored, gives ACUS a key role in encouraging and facilitating agency use of regulatory negotiation. Regulatory negotiation is a fairly new approach to developing regulations that brings the affected parties into the process earlier and attempts to achieve by consensus what we may never be able to achieve through the normal, often adversarial, rulemaking process. It may not be the right approach in every case, but where it fits it has proven to be very beneficial: cutting costs, improving enforcement, and producing more cost-effective regulations. Were ACUS to be eliminated, we would risk losing the progress we have made over the last few years to get agencies to rely more on regulatory negotiation.

Similarly, ACUS has been assigned a key role in the implementation of the Alternative Dispute Resolution Act. When used appropriately, ADR is a proven time and money saver. The ADR Act encourages agencies to avoid costly and protracted litigation by using arbitration, mediation, and other alternative dispute resolution techniques. ACUS is responsible under the ADR Act for facilitating the use of ADR in the Federal agencies, and they have been quite successful. Were we to allow ACUS to go unfunded, the center would fall out of the ADR effort, and much of the progress we have tried to achieve would be lost.

ACUS is presently evaluating conflict management in the Fish and wildlife Service's implementation of the Endangered Species Act; agency practices regarding sale and distribution of Government assets such as broadcast frequency licenses, oil and gas leases; Department of Justice control over

agency litigation; the use of audited industry self-regulation; techniques for expedited rulemaking; and many more. Each of these has the potential to greatly improve the operations of Federal agencies.

Here in the Senate, we are still finding important roles for ACUS even while we are talking about eliminating it. Section 8 of the Dole-Johnston substitute to S. 343, the regulatory reform bill would direct ACUS to evaluate the agencies' compliance with that bill's risk-assessment requirements. Congress relies on ACUS for crosscutting projects such as these because of its unparalleled expertise regarding the administrative process.

While these tasks could be performed by someone other than ACUS, this points out the most valuable aspect of ACUS. ACUS is a small, free-standing agency that is free of partisan wrangling. Its research and recommendations are supposed to be without political favoritism, an so they have been. But because of ACUS's expertise and prestige, it is able to bring together many of the best minds in the fields of administrative law and Government operations from the private sector, academia, and Government to work together in the public interest. Law professors, the private bar, judges, and agency officials serve together on ACUS panels, providing their services free of charge. ACUS's ability to leverage its small amount of money into such a sizable substantive gain makes it unique. The Nation could not expect to find a more economical source of the services ACUS provides, and allowing ACUS to go unfunded for even 1 year would erode its stature and severely damage this unique arrangement.

Administrative process is not glamorous stuff, but if you think back on the major issues debated here this session, its importance is clear. Many of us have drawn on ACUS's expertise when considering the issues of unfunded mandates, the regulatory moratorium, regulatory reform, lobbying disclosure, telecommunications. The ability of ACUS's staff to quickly and accurately answer an extraordinary range of questions about how the Federal administrative agencies operate is extraordinary. This, combined with the many important roles ACUS plays in improving the operation of those Federal administrative agencies, offers compelling justification for restoring adequate funding to ACUS.

Mr. President, I congratulate the Senator from Iowa for offering this amendment and I urge my colleagues to support it.

Mr. GLENN. Mr. President, I strongly support this amendment to restore funding for the Administrative Conference of the United States.

The Administrative Conference is a small agency that provides independent, nonpartisan advice and assistance to Congress and Federal agencies on how to make Government procedures more efficient, flexible, and open.

ACUS, as the Conference is sometimes called, is a unique public-private partnership. It consists of members from Government, the academic community, and the private sector, who develop consensus-based recommendations for improved agency procedures. It also has a small career staff that works with agencies on implementing recommended reforms, and that assists congressional offices and agencies on issues of administrative law and practice.

In this era of budget reduction and smaller government, the Administrative Conference is especially valuable. There are several compelling reasons for this.

First, ACUS studies problems and makes recommendations that save the Government lots of money. For example, the Conference has testified that the Social Security Administration adopted an ACUS recommendation to simplify the Social Security appeals process. From following just this one ACUS recommendation, the Social Security Administration reports that it will save $85 million annually.

A second example is the use of alternative dispute resolution techniques, or ADR, which means mediation and other methods of settling cases and avoiding costly litigation. The Administrative Conference is the Government's central resource on the use of alternative dispute resolution. Data from five agencies show that their use of these ADR methods, which ACUS has been promoting for a decade, saved $13.8 million in 1994.

James C. Miller, who was budget director under President Reagan and is a staunch budget-cutter, has testified that it would be a mistake for Congress to zero out the Administrative Conference, because "ACUS generates far more value to the American people" than its yearly budget. On this point, Jim Miller and I agree completely. The Conference's budget is only $1.8 million dollars—an amount that is repaid many times over in reduced litigation costs and improved Government efficiency.

A second reason why the Conference is especially valuable now, is that we are in the midst of revamping the Government's administrative and regulatory procedures for the first time in 50 years. Such a time is when we most need the expert, impartial advice and assistance of the Conference. For example, there are now two leading regulatory reform bills in the Senate—S. 343, which is sponsored by the distinguished majority leader, and S. 1001, which I introduced. Both of these bills incorporate key recommendations of the Administrative Conference. I know that, on both sides of the aisle, Senate staff working on these bills have turned for advice repeatedly to the Conference staff. Both of these bills also include explicit requirements for the Administrative Conference to review how the legislative reforms work out in practice, and to recommend any needed corrections.

Third, over the past year the Conference has focused and marshaled its energies to support the current transition to a smaller, more efficient, more responsible Government. ACUS continues its very valuable support for Government use of negotiation, mediation, and other alternatives to costly litigation. These ADR techniques foster flexible and open decisionmaking, encourage results that are acceptable to the parties, reduce the amount of litigation clogging our courts—as well as saving the Government and the private sector money.

The Conference is also concentrating its research-and-development efforts on such regulatory techniques as audited self-regulation and enhanced waiver authority. These innovative techniques are designed to be more flexible and responsive than the traditional regulatory approach of one-size-fits-all.

Finally, I want to dispel any misperception that the Administrative Conference is redundant—that other organizations in the Government or in the private sector could do the same job. No other entity is designed to do what the Administrative Conference does.

Certainly, we in Congress get plenty of advice on how to reform agency processes and procedures—maybe too much advice. But most of this advice comes from industries, or regulatory agencies, or advocacy groups, or "thinks tanks," or party caucuses—which have vested interests or political agendas.

Unlike all of these groups, the Administrative Conference's only agenda is to foster greater efficiency and fairness in Government. Its recommendations must be practical and unbiased, in order to pass muster with a membership drawn from both practitioners and academics from both political parties and from all points on the political spectrum. Furthermore, only ACUS has a mandate to follow through and help agencies to implement recommendations that are adopted.

This is one agency that actually saves the Government more money than it costs. Based on the Administrative Conference's track record of success, this unique institution should be preserved.

For these reasons, I urge my colleagues to support this amendment and to reinstate funding for the Administrative Conference.

Mr. ROTH. Mr. President, I rise to support the amendment of Senator GRASSLEY to restore funding for the Administrative Conference of the United States. Because I am, and have been,

a strong proponent of reducing the size of government, let me take a moment to explain why I think we should restore life to this tiny agency.

We have reached the point where, now more than ever, there is widespread consensus that the administrative process must be reformed and streamlined. The Administrative Conference is the only Government agency whose sole mission and expertise is directed to improving administrative procedure. And the Administrator Conference is a unique source of nonpartisan advice and assistance to Congress and the agencies on how to make the regulatory process more efficient, more flexible, and more rational. The supporters of ACUS comprise a virtual "Who's Who" of administrative law from across the political spectrum. Indeed, ACUS is especially effective in carrying out its mission because it achieves a unique synergy of expertise from government, the private sector, academia, and the public interest community.

As we all know, results matter, and ACUS has had notable success in reducing the inefficiency, ineffectiveness, and delay in the regulatory process. These successes repay ACUS' small budget—$1.8 million—many times over. To paraphrase S. 343, the benefits clearly justify the costs. For example, ACUS has produced massive savings in money, time, and agency resources by implementing alternative dispute resolution.

Data from five agencies show that the use of alternative dispute resolution has saved $13.8 million for just these few agencies in 1994. With ACUS' help, the use of alternative dispute resolution is expanding rapidly. It has been estimated that a recently adopted ACUS proposal to change the appeals process saves the Social Security administrative process $85 each year. It would be penny-wise and pound-foolish to let the Administrative Conference expire.

Furthermore, it is now—when we are proposing the most comprehensive changes to the Administrative Procedure Act since it was written 50 years ago—that we need the advice and assistance of the Administrative Conference more than ever.

As small as ACUS is, it has provided important support for the movement toward regulatory reform and for alternatives to the litigation morass that burdens our Nation. Many ACUS recommendations have been incorporated into the regulatory reform proposals we are considering, including S. 343. Indeed, section 8 of S. 343 provides for ACUS to study and advise Congress on the operation of the risk assessment requirements and the operation of the Administrative Procedure Act. My regulatory reform bill, S. 291, contained a similar provision. So did the Glenn bill. As complex and far reaching as the current regulatory reform proposals are, we will need the kind of independent expertise that ACUS provides if we want to carry out regulatory reform.

Because I want to reform the regulatory process and to make government more efficient, I support Senator GRASSLEY's amendment to fund the Administrative Conference. I urge my colleagues to support this worthy effort.

AMENDMENT NO. 2250

Mr. SHELBY offered an amendment (No. 2250) for Ms. MIKULSKI:

At the appropriate place in the bill, insert the following new section:

SEC. . Service performed during the period January 1, 1984, through December 31, 1986, which would, if performed after that period, be considered service as a law enforcement officer, as defined in section 8401(17)(A)(i)(II) and (B) of title 5, United States Code, shall be deemed service as a law enforcement officer for the purposes of chapter 84 of such title.

Ms. MIKULSKI. I rise today in support of my amendment to chapter 84 of title 5, United States Code, which corrects a technical error in existing law. The error which I refer to results in some Federal law enforcement personnel who began duty during an interim period when the Federal employee retirement system was being changed being denied the benefits they deserve.

From January 1, 1984, to December 31, 1986, certain Federal law enforcement personnel were hired and placed under an interim retirement system. The Civil Service Retirement System [CSRS] was not open to newly hired employees and the new retirement system, the Federal Employees Retirement System [FERS], was not yet in effect. When the Federal Employee Retirement System went into effect, this group of law enforcement personnel became covered under the FERS law enforcement provisions.

However, during this transitional period, these law enforcement officers were denied law enforcement credit because they were never classified as law enforcement personnel. This amendment corrects the existing language so this group of law enforcement personnel will not be required to unfairly work up to an additional 3 years to meet eligibility requirements under the FERS law enforcement provision. Our Federal law enforcement personnel work long, hard, and dangerous duty in service of this country. It is only fair that we ensure that each and every Federal law enforcement employee receives the retirement benefits they deserve.

AMENDMENT NO. 2251

Mr. SHELBY offered an amendment (No. 2251) for Mr. BROWN:

The General Services Administration and the Federal Aviation Administration should review and reform current personnel rules and labor agreements regarding federal assistance when relocating because of a change of duty station.

The Senate is concerned about reports that, under FAA and GSA rules, employees at the Denver, Colorado, ATCT and TRACON were permitted to claim personal housing relocation allowances in connection with their transfer from FAA facilities at Stapleton Field to the new Denver International Airport, even in some cases where an employee's new home was farther from the new job site than the employee's former home.

The FAA should immediately investigate this misuse of public funds at Denver International Airport and reform their personnel rules to end this kind of abuse.

Mr. BROWN. Mr. President, with reference to this amendment on the Denver International Airport, under a previous policy memorandum—to be specific, between the FAA and the NATCA—there was an agreement to waive regulations that apply to the payment for the movement of workers. The old rules indicated there would be payment for employees' movement if, indeed, an airport was moved over 10 miles. The new Denver airport is 17 miles from the old site. So it came under the old regulations. However, the new regulations make it clear that compensation is not to be given unless the airport is relocated 35 miles or more and if a controller moves 30 minutes closer to the new duty station.

Thus, the Denver International Airport employees would have received compensation—or at least some of them could have—under the old regulations. But they did not qualify for the compensation under the new regulations. Nevertheless, on April 8, 1993, there was a memo of understanding reached where they waived the application of these new regulations. In other words, they waived the current regulations and made employees eligible for moving expenses even though the airport was only moved 17 miles.

The impact has been enormous. Four workers received a total of $85,000 for this small move, even though they moved further away from their workplace. In other words, they moved, but their new home was further away from the new airport than their old home had been from the old airport. In other words, we paid them when they actually chose to move further away.

A total of 38 FAA workers have been paid now $528,000 in moving costs, an average of $14,000, even though under the new regulations they would not qualify for anything. The FAA has set aside another $2.07 million to reimburse over 100 workers still eligible to submit expenses before February 1997. The largest single reimbursement was for $61,281 to an air traffic controller who moved from one address in Englewood, CO, to another address in Englewood, CO.

It is quite clear that the taxpayers have been ripped off and with the complicity of the people who signed the new memo waiving the regulation, thus the amendment calling for the study and review.

Mr. President, I hope the people responsible for this kind of treatment of

the taxpayers will receive appropriate discipline from their superiors.

Mr. SHELBY. Mr. President, I ask unanimous consent that the amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. The question is on agreeing to the amendments.

The amendments (Nos. 2232 through 2251) were agreed to, en bloc.

Mr. DOMENICI. Mr. President, I rise in strong support of the conference agreement on H.R. 2020, the Treasury, Postal Service, and General Government appropriations bill for 1996.

This bill provides new budget authority of $23.0 billion and new outlays of $20.6 billion to finance operations of the Department of the Treasury; including the Internal Revenue Service, U.S. Customs Service, Bureau of Alcohol, Tobacco, and Firearms, and the Financial Management Service; as well as the Executive Office of the President, the Office of Personnel management, and other agencies that perform central Government functions.

I congratulate the chairman and ranking member for producing a bill that is within the subcommittee's 602(b) allocation. When outlays from prior-year budget authority and other adjustments are taken into account, the bill totals $22.8 billion in budget authority and $23.1 billion in outlays. The total bill is at the Senate subcommittee's 602(b) nondefense allocation for budget authority and under its allocation for outlays by $32 million. The subcommittee is also under its Violent Crime Reduction Trust Fund allocation by $2 million in budget authority and $1 million in outlays.

I would also like to thank that subcommittee for including funding to complete construction of the Federal courthouse in Albuquerque, NM.

I ask Members of the Senate to refrain from offering amendments which would cause the subcommittee to exceed its budget allocation and urge the speedy adoption of this bill.

I ask unanimous consent that the spending totals for the Senate reported bill be printed in the RECORD.

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

TREASURY-POSTAL SUBCOMMITTEE

[Spending totals—Senate-reported bill; fiscal year 1996, in millions of dollars]

	Budget authority	Outlays
Nondefense discretionary:		
Outlays from prior-year BA and other actions completed	.....	2,778
H.R. 2020, as reported to the Senate	11,187	8,747
Scorekeeping adjustment	.....	.....
Subtotal nondefense discretionary	11,187	11,525
Violent crime reduction trust fund:		
Outlays from prior-year BA and other actions completed	.....	8
H.R. 2020, as reported to the Senate	76	61
Scorekeeping adjustment	.....	.....

TREASURY-POSTAL SUBCOMMITTEE—Continued

[Spending totals—Senate-reported bill; fiscal year 1996, in millions of dollars]

	Budget authority	Outlays
Subtotal violent crime reduction trust fund	76	69
Mandatory:		
Outlays from prior-year BA and other actions completed	127	130
H.R. 2020, as reported to the Senate	11,763	11,756
Adjustment to conform mandatory programs with Budget Resolution assumptions	−334	−333
Subtotal mandatory	11,555	11,553
Adjusted bill total	22,818	23,147
Senate Subcommittee 602(b) allocation:		
Defense discretionary	.....	.....
Nondefense discretionary	11,187	11,557
Violent crime reduction trust fund	78	70
Mandatory	11,555	11,553
Total allocation	22,820	23,180
Adjusted bill total compared to Senate Subcommittee 602(b) allocation:		
Defense discretionary	.....	.....
Nondefense discretionary	.....	−32
Violent crime reduction trust fund	−3	−1
Mandatory	.....	.....
Total allocation	−3	−33

Note: Details may not add to totals due to rounding. Total adjusted for consistency with current scorekeeping conventions.

Mr. SIMON. In December 1994, as part of the National Performance Review, the administration announced that the Office of Personnel Management [OPM] would privatize its investigative branch, the Office of Federal Investigations [OFI]. OPM intends to complete the transition by January 1996.

For over 40 years, the OFI has been responsible for conducting background investigations for potential employees of various agencies within the Federal Government, including the Department of Energy, the Department of Justice, and the Treasury Department. Overall, OFI conducts about 40 percent of all Federal background investigations for positions ranging from bureaucratic jobs to high ranking positions requiring substantial security clearances. In my view, shifting this responsibility to the private sector raises a host of extremely important questions which need to be addressed before we proceed.

First, we must ensure that our national security is not in any way jeopardized by a move to privatization. Currently, OFI does background checks on individuals that will ultimately have access to top secret information, such as nuclear weapons systems. We need to ask ourselves if this is the type of matter that we want a private sector employee to have access to. If the answer is yes, certainly we need to carefully review the safeguards needed to ensure that our national interests remain secure.

The ability of private firms to maintain the privacy of sensitive records is another area that needs to be closely addressed. A private contractor would potentially have the ability to amass large quantities of personal information on Government employees. Although OPM has suggested that they would have the ability to keep records private, I have not heard specific measures that could be taken to guarantee this. Serious study must be given to what measures can and should be taken to protect privacy.

We must also ensure that quality investigations will continue to be conducted. The Federal Government currently uses private investigators for a very small fraction of background checks. The only experience with private investigators on a large scale produced numerous investigations that were not up to standard, or, even in a fraction of cases, were falsified. This must not happen again. What safeguards can and should OPM put in place to ensure that quality is maintained?

It is also important to ask ourselves if private investigators will be able to provide the best available information to Government agencies. Will they have difficulty obtaining vital information from law enforcement agencies? In a preliminary study, the General Accounting Office [GAO] has determined that law enforcement officials may be reluctant to give out sensitive information to private investigators. This issue deserves further study.

My comments are not meant to imply that private contractors cannot perform top quality investigations while also ensuring privacy and protecting out national security. It is certainly conceivable that they could. However, before a decision of this magnitude is made, it is crucial that we all have the best possible information. If further study shows that private investigators can successfully take over this important function, then I might support the transition. However, until these questions are answered, I believe the best course of action is a cautious one.

I understand that the Senate Treasury and Postal Appropriations report requires that a cost-benefit analysis be conducted to determine the feasibility of moving to privatization, and that the House report mandates a similar study. In addition, Congressman MICA has requested that the GAO conduct an ongoing study into potential problems with the privatization effort. I would ask that my questions and concerns be raised as part of these studies.

Mr. SHELBY. While I appreciate the concerns of the Senator from Illinois, I think the move to privatization is a good one. The administration and the subcommittee have carefully reviewed the privatization issue. In February, OPM conducted a feasibility study and recently contracted out with another firm to present a business plan. That plan should address the steps OMP will take to ensure continued oversight of this important function.

However, my colleague from Illinois has raised several important points that I believe should be addressed. I will work to include language in the

conference report that would require the GAO to study the questions raised by Senator SIMON, including the potential impact on the quality of investigations, privacy issues, and national security concerns. I believe that before OPM moves to privatization, Congress should have the opportunity to review both the OPM and GAO reports on these issues.

Mr. KERREY. I share the views of the chairman, and will work to ensure that the concerns of the Senator from Illinois are addressed in the conference report as well. They are indeed important issues that deserve further study.

Mr. SIMON. I thank both of my colleagues for their leadership on this issue. I appreciate their willingness to ensure that my concerns are addressed, and look forward the results of further study.

BRECKENRIDGE POST OFFICE

Mr. CAMPBELL. Would the Senator from Alabama yield a few moments at this time to enter into a brief colloquy?

Mr. SHELBY. I would be happy to yield to the distinguished Senator from Colorado.

Mr. CAMPBELL. I thank the Senator.

As the Senator may recall, the House report on the Treasury/Postal appropriations bill notes that committee's concerns about the failure of the Postal Service to complete the planning and the construction on the new post office in Breckenridge, CO.

The planning stage was originally to be finished in fiscal year 1995 so that the new post office could be completed in fiscal year 1996. This issue was not addressed in the Senate report.

Breckenridge, CO, is not being adequately served by the Postal Service at this time because of the need for better facilities. I would ask the Senator from Alabama, then, if he would work with me to encourage the conferees to adopt the House's comments on the building of the Breckenridge Post Office in the conference committee report.

Mr. SHELBY. I look forward to working with the Senator on this matter. I know how important efficient postal service is to rural communities.

Mr. CAMPBELL. I thank the distinguished Senator from Alabama for his consideration and I yield the floor.

"GUNS FOR FELONS"

Mr. LAUTENBERG. Mr. President, I am very pleased that this legislation includes a provision that Senator SIMON and I requested that would block funding for a program that allows convicted felons to regain their ability to possess firearms.

As a general matter, Mr. President, Federal law prohibits any person convicted of a felony from possessing firearms. However, under what I call a guns for felons loophole, convicted felons can apply to the Bureau of Alcohol, Tobacco and Firearms to get a waiver.

After receiving an application, ATF performs a broad-based field investigation and background check. If the Bureau believes that the applicant does not pose a threat to public safety, it can grant an exemption from the Federal ban.

Mr. President, Senator SIMON and I have been able to block funding for this program for the past few years. However, between 1981 and 1991, ATF granted 5,600 waivers. Many of these required a substantial amount of scarce time and resources. ATF investigations often lasted weeks, and included interviews with family, friends, and the police.

In the late 1980's, the cost of processing and investigating these petitions worked out to about $10,000 for each waiver granted.

What happened when convicted felons got their firearms rights back? Well, some apparently went back to their violent ways. Those granted relief subsequently were rearrested for crimes ranging from attempted murder to rape, kidnaping, and child molestation.

Mr. President, the ATF guns for felons loophole is an outrageous waste of taxpayer dollars. It also is a poor use of scarce ATF resources. ATF agents have better things to do than conduct background investigations so that felons can get a gun.

Mr. President, we ought to eliminate this ridiculous program permanently. Senator SIMON and I have introduced legislation to do so. Meanwhile, though, we at least should block funding for the program in appropriations bills. I am very pleased that the Appropriations Committee agreed with us this year.

Mr. President, there is broad support for closing the guns for felons loophole. The Fraternal Order of Police, the National Association of Police Organizations, and the International Brotherhood of Police Officers all have testified in favor of terminating the ATF program.

In conclusion, Mr. President, firearm violence has reached epidemic proportions. We have a responsibility to the victims and prospective victims to take all reasonable steps to keep this violence to a minimum. Keeping firearms away from convicted felons is the least these innocent Americans should be able to expect.

FEDERAL PROPERTY MANAGEMENT

Mr. COHEN. Mr. President, my efforts to correct longstanding problems related to Federal property management, particularly in the courthouse construction program, are already well documented in the public record. During the last few years, I have supported a number of amendments to eliminate wasteful spending for construction projects that were not needed or not cost-effective and I've introduced legislation to reform the way the Federal Government manages its office space.

Over the years, the General Accounting Office [GAO] and General Services Administration [GSA] Inspector General reports have highlighted recurring problems at GSA in managing the Federal Government's real estate portfolio and have shown a pattern of wasteful spending. Long standing problems have significantly impaired GSA's ability to meet the Federal Government's property needs in a cost-effective and businesslike manner.

Despite GSA Administrator Roger Johnson's efforts to reform GSA and reorganize the Public Buildings Service [PBS], I remain convinced that PBS fails to adequately meet Federal space needs in a cost-effective manner and continues to construct buildings that are not needed and that we can ill afford. Earlier this month, GAO testified before the Environment and Public Works Subcommittee on Transportation and Infrastructure that the Federal Government continues to spend billions of dollars more than is necessary to acquire and manage Federal office space. Congress has also contributed to the problem as it has too often funded construction projects which have not gone through the normal authorization process.

In today's climate of downsizing Government and budgetary cuts, funding for any Federal building project must be carefully assessed to ensure the best and maximum use of scarce Federal resources. Last month, I wrote to my colleagues on the Treasury, Postal Appropriations and General Government Subcommittee urging them not to obligate funds for any unauthorized Federal buildings or unauthorized courthouse construction projects; to reassess the need to spend $1 billion, as the President requested, on new construction; to closely scrutinize whether planned funding levels for projects already in the pipeline are economical and realistic in view of current budget constraints; and to assess repair and alteration funding levels.

I am pleased with the language in the fiscal year 1996 Treasury Postal appropriations bill which is currently before the Senate. The bill reduces Federal construction funding and notes that no funds available in the bill will be used for unauthorized projects. I commend Senators SHELBY and KERREY for their leadership in this important area.

I am also pleased with the language in the bill that prohibits the submission of a fiscal year 1997 budget for the construction of U.S. courthouse, unless the facilities meet the construction standards developed by the GSA, the Office of Management and Budget, and the Judicial Conference and reflect the priorities established in the Judicial Conference's 5-year construction plan.

Mr. President, the current courthouse construction program lacks a strategic plan and fails to prioritize projects to ensure that scarce Federal

resources are spent where they are most needed. As a result, Congress must make the tough funding decisions to protect the taxpayer's interests and prevent wasteful spending. The Appropriations Committee report notes that the committee has been frustrated by the courts unwillingness to establish a priority list for construction and continued insistence that all projects are of an equal priority.

I share the committee's frustration over the courthouse construction program. GAO has testified that the Federal judiciary overestimated courthouse construction space needs for the next decade by more than 3 million square feet which, if authorized, could waste up to $1.1 billion. Last year, a Governmental Affairs Committee hearing showed that, in addition to continuing to build unneeded Federal courthouses, we are wasting additional millions on extravagant courthouse features such as top of the line marble, custom lighting, and private kitchenettes. As a result of the hearing, I, along with a number of my colleagues, wrote GAO requesting an audit of the courthouse construction program. The audit is still ongoing and is expected to be completed later this year.

As Congress looks for ways to address the Federal budget deficit, we must ensure that Government programs and agencies are operating in the most cost-effective manner possible. Again, I commend Senators SHELBY and KERREY for their leadership in putting an end to funding unauthorized construction projects.

Mr. MOYNIHAN. Mr. President, I want to record my considerable concerns about this appropriations bill. The amount appropriated for Treasury is inadequate, specifically as it regards IRS enforcement efforts. The amount appropriated by the Senate for enforcement represents a decrease of $705 million from the amount appropriated last year. This is even lower than the amount appropriated for enforcement by our colleagues in the House.

Over half of the decrease in enforcement funds is attributable to the IRS Taxpayer Compliance Initiative that was first established last year. The Compliance Initiative funds should be made available now, to enable the IRS to realize the full benefits of its recent technological improvements. Specific enforcement efforts that will be jeopardized if these funds are not forthcoming include the collection of $30 billion in delinquent accounts; increased audit coverage; improved information reporting by Federal employees; and improved enforcement of international tax provisions including the transfer pricing laws.

Thanks to prior appropriations for the Tax Systems Modernization Program, the IRS has improved its technology to the point that it is within reach of benefiting from that significant investment of taxpayer dollars. Denying funds for the Compliance Initiative means turning our backs on what the IRS estimates is $9.2 billion, over 5 years, that would come, not from any tax increase, but from collecting taxes that are owed but are presently going unpaid.

Very simply, providing the IRS with adequate funding for their Compliance Initiative would reduce the deficit, without a tax increase. We know that these expenditures would yield increased revenues in excess of the amount spent. The IRS estimates that the return on these expenditures would approach $5 for every $1 spent. Viewing the appropriation of funds for this purpose as the same as all other spending is shortsighted.

COMMENDING THE PROVIDENCE ATF AND URGING ADEQUATE STAFFING LEVELS

Mr. PELL. Mr. President, as the Senate considers the Treasury, Postal, and General Government appropriations bill today, I wish to bring to the Senate's attention the often-overlooked good work that the local offices of the Bureau of Alcohol, Tobacco, and Firearms [BATF] provide to our country. I do so partly because of the recent scrutiny directed at the BATF here in the Congress and partly in response to a letter I recently received from the U.S. attorney for Rhode Island, Sheldon Whitehouse, who wrote to me to indicate his concern over the need for adequately staffing the Providence, RI office of the BATF.

The Bureau of Alcohol, Tobacco, and Firearms is charged with enforcing and administering Federal firearms and explosives laws, as well as those laws covering the production, use, and distribution of alcohol and tobacco products. Over the years, the Bureau has been an essential partner in our crime fighting efforts in these areas and, in particular, the BATF office in Providence, RI has distinguished itself in its work even given its small size.

Indeed, to quote from the letter I received from U.S. Attorney Whitehouse, the Providence office—

> Has been extremely effective for its size, particularly at fighting the kind of crime that presents the most violent threat to Rhode Islanders; guns, drugs, and gangs. Recent ATF investigations have led to the Federal arrests and convictions of some of the largest dealers of assault weapons and crack cocaine in Newport, and numerous Providence area armed career criminals.

The problem, Mr. President, is that adequate staffing of the Providence office of the BATF is being seriously threatened. Only a year ago, the Providence operated with a small, tight crew of just six agents. Today, there are currently four agents and by the end of the year there will be just three agents. The danger is that without adequate appropriations, the office will not be able to replace the full complement of six agents. This would be a tragic loss to Federal law enforcement in Rhode Island and one that in our zeal to squeeze savings out of the Federal budget would be unwise and potentially dangerous. I highlight three recent cases handled by the Providence BATF to illustrate my point.

Just recently, Tonomy Hill was a troubled housing project in Newport, RI. Following an undercover investigation by the BATF, an illicit drug trafficking and illegal firearms operation based at Tonomy Hill and involving two drug kingpins and 33 associates from as far away as Philadelphia and New York was exposed. In the end, the ring leaders and 33 associates were prosecuted and convicted on both State and Federal charges.

In another case, in July 1993, Michael Sadd of Wakefield, RI was robbed at gunpoint and then murdered. Through joint cooperation with local law enforcement, ATF agents successfully completed an undercover operation whereby the suspected murderer was found, taken into custody, and currently is awaiting trial.

Finally, in 1991, it was becoming increasingly apparent that Rhode Island's gun laws were being thwarted by the proliferation of illegal firearms on the streets. The ATF conducted an investigation and it was discovered that a local Rhode Islander was working with a purchaser in Arizona to provide a supply of illegal firearms to the local black market, smuggled into the State and registered under bogus serial numbers. The case ended with the Arizona purchaser in prison and pending charges against his accomplice in Rhode Island.

These examples show that the ATF presence is much-needed in Rhode Island, especially as our State and local law enforcement agencies face cutbacks and budget shortfalls. In the troubled times facing our streets and neighborhoods, we must commit adequate resources at all levels to address the ever increasing menace of violent crime. I realize the difficult times our country faces in finding a way to solve our budget deficit. Nevertheless, in the establishment of priorities, I hope that adequate attention will be given to maintaining law enforcement.

With regard to the legislation at hand, I hope that given the Bureau of Alcohol, Tobacco, and Firearms good work in Rhode Island that a requisite level of funding will be appropriated and insisted upon during a conference with the House of Representatives to assure that adequate field office staffing is maintained not only in Rhode Island but throughout the country. I welcome the opportunity to work with my colleagues to help achieve this result.

CUSTOMS PORT OF ENTRY

Mr. PRESSLER. Mr. President, I intended to offer an amendment that reflects my growing frustration with the Treasury Department's unwarranted unwillingness to grant the State of

South Dakota's application to obtain official designation as a U.S. Customs port of entry. Specifically, the amendment would have required the U.S. Customs Service to state for the record to the Congress that the State of South Dakota in fact qualifies for the designation as a port of entry under existing laws and regulations.

Mr. President, South Dakota is the only State without a Customs port of entry. The State has been working with Customs and Treasury officials for more than a year on this matter. There is no disputing the fact that South Dakota has met all the necessary criteria set forth by the U.S. Customs Service for port of entry designation:

The Greater Sioux Falls area has a population in excess of 300,000 within the immediate service area.

The Greater Sioux Falls area is serviced by three major modes of transportation—air, rail, and highway.

The potential Customs workload will exceed the requirement of 2,500 consumption entries per year with no more than half of this number derived from any one business.

The State of South Dakota and the city of Sioux Falls have committed to optimal use of electronic data input.

Facilities for Customs—provided without cost to the Federal Government—will be provided and meet the specifications of the U.S. Customs Service.

Unfortunately, even though South Dakota has met all the baseline requirements needed to be designated full port status, Customs initially proposed that the State accept a lesser user fee status. This recommendation is unacceptable. First, as I have just stated, South Dakota more than meets all necessary requirements for port of entry designation. In fact, our population base and number of potential customs entries actually exceeds the standards set by the U.S. Customs Bureau. Therefore, I am convinced anything short of full port designation would unnecessarily and unfairly hinder international trade opportunities for South Dakota businesses.

Second, the Customs Service has been inconsistent in applying its own criteria when making port designation determinations. The U.S. Customs Commissioner admitted that 35 to 40 percent of the existing 301 ports of entry do not meet the workload measurement criteria that Customs requires for a new port of entry applicant. The amendment I intended to offer would have required the Customs Service to report the exact number of existing ports which do not meet minimal designation requirements. I also have learned that because of budgetary constraints, Customs will not approve any new port applications this year, regardless of the merits of the applicant, and the fact that the added costs for the new port are minimal.

Mr. President, we have more than 100 ports that have a status that they could not qualify for if they applied today. Allowing these ports to retain their status while denying South Dakota its rightful designation defies common sense. It is a wasteful use of taxpayer dollars. It is wrong, plain and simple.

Not only is it highly inefficient for the Federal Government to continue funding over 100 inefficient ports, but it is also highly unfair and counterproductive to a State's plans for economic development if the Federal Government denies a port of entry designation even if the State qualifies for it.

Clearly this issue is one of fairness—fairness to the taxpayers and business men and women of South Dakota. The administration advocated the passage of GATT and NAFTA as a way to increase international trade opportunities. South Dakota, the only State in the country without a Customs presence, is precluded from capitalizing on new trade opportunities because a port designation is required before the State can become a Foreign Trade Zone [FTZ]. South Dakota businesses are moving out of the State because of a lack of an FTZ.

The refusal to grant South Dakota's port of entry application denies a major agricultural exporter and burgeoning economy the opportunity to compete on a level playing field with the rest of the Nation.

Mr. President, the State of South Dakota is right now working with me and my colleagues of the South Dakota delegation to try to convince the Customs Service and the Treasury Department to grant the status our State rightly deserves. It is my understanding a positive resolution is imminent. I certainly hope so because my patience is being put to the test. In the hope of reaching a renegotiated solution soon, I will not offer this amendment—an amendment that is more a reflection of my clear and growing frustration with this blatant unfairness being dealt to the people of South Dakota. I certainly hope I will not have to pursue this option in the near future. South Dakota deserves its rightful place on the world economic stage. South Dakota deserves a port of entry. We qualify for it. We have earned it. It is long overdue.

Mr. SHELBY. Mr. President, I know of no other amendments. Does the Senator from Nebraska?

Mr. KERREY. No other amendments.

Mr. President, just one final statement. Earlier, I had praised all my staff except for the staff person who wrote up my document asking me to thank the staff, and I would like to now thank Patty Lynch, chief staff person for myself and the Appropriations Committee, for her fine work on this bill.

Mr. SHELBY. Mr. President, I would also like to take this opportunity to thank Senator KERREY for working with me on this bill. We have a good relationship. We have worked hard on the bill, and I think we have accomplished much.

I also wish to thank Patty Lynch, who has worked with our staff day in, day out. I thank Chuck Parkinson who has put in hours and hours of work, and also my legislative director, Stewart Hall.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (H.R. 2020), as amended, was passed.

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

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

The motion to lay on the table was agreed to.

Mr. SHELBY. Mr. President, I ask unanimous consent that the Senate insist on its amendments to H.R. 2020, request a conference with the House on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint the conferees on the part of the Senate.

There being no objection, the Presiding Officer (Mr. INHOFE) appointed Mr. SHELBY, Mr. JEFFORDS, Mr. GREGG, Mr. KERREY, Ms. MIKULSKI, Mr. HATFIELD, and Mr. BYRD conferees on the part of the Senate.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996

Mr. DOLE. Mr. President, what is the pending business?

The PRESIDING OFFICER. The clerk will report the pending business.

The legislative clerk read as follows:

A bill (H.R. 1026) to authorize appropriations for fiscal year 1996 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.

The Senate resumed consideration of the bill.

Pending:

Brown Amendment No. 2125, to clarify restrictions on assistance to Pakistan.

Mr. DOLE. Mr. President, I know the managers are not right here right now, but we are back on the DOD authorization bill, which we I guess terminated last night about midnight. There are 20 some amendments that I understand have been cleared throughout the day and there will be Senators here in a few

moments to start taking up those amendments. In the meantime, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

WELFARE REFORM

Mr. SANTORUM. Mr. President, I rise to congratulate our leader, the chairman of the Finance Committee, Senator PACKWOOD and others, who just went above and beyond the call of duty to bring together, I believe, a consensus welfare reform package here on the Republican side.

The leader, in a few minutes, is going to lay down that package for us to begin debate next week. Second to our efforts to balance the budget, I think this is the next most important issue that we can deal with in the Senate and one that I think is at the top of the minds of not only the people of the United States who pay for the welfare system but the people in it.

I think this is a bill that addresses the concerns of both those who are in the system and those who are paying for the system. The people who are paying for the system are going to get more results, more value, for their tax dollars that they are contributing, and more people are going to be helped into productive mainstream life in America. That is a value to the people who are paying and, obviously, a tremendous value to the people who find themselves dependent on welfare.

What the leader has done, I think, is truly extraordinary. In a very difficult arena where we are trying to give authority back to the States, you run into problems such as, What is fair? How much do you give? And to what State based on what formula? We were able to, through the tremendous work of the Senator from Texas, Senator HUTCHISON, overcome that and come up with a formula that I think works for everyone. It does not disadvantage any State and provides growth opportunities for those States who are really up against it with burgeoning populations of not only the overall population but of the poor in our country.

We have been able to handle the tough problems of how we are going to get work requirements and how many requirements. How many do we turn over to the States and how much do we retain here? In that partnership we seek to establish how much do we allow the States to innovate and how much do we want to oversee and require?

And I think the leader's proposals, again, struck the proper balance of a true partnership, not one that the current administration would have you believe is a partnership where we will make all the decisions. You come to us when you want to change anything, and we will tell you if we think it is OK to do that, in everything you do. That is not a partnership, no more than a student asking the teacher for permission to go to the bathroom. If the teacher says, "No you've got to go back to your seat." It is the same thing. If the State wants to improvise, and the President says, "No, you have to go back to your seat," that is not a partnership. To call that a partnership is absurd.

What we do is truly give authority, truly give discretion and give dollars, in some cases with strings, other cases without. But it is a partnership. And it was carefully crafted, and I think wonderfully done. And I am hopeful when we have this debate—there will be debate—there will be amendments on the Republican side and amendments on the Democratic side to craft this bill over the next week.

I think there will be a great debate here about the direction this country is going to take and the future of the role of Government in solving people's problems.

Actually, one of the more innovative proposals that is in the leader's bill—also in other bills here—is to allow community groups to be the welfare agency, allow churches and community organizations and nonprofits who work in those neighborhoods to actually be the conduit agency to help and provide support for the poor in those neighborhoods—a radical concept of getting the government completely out and going to the people who care most, the neighbors, the pastors, the community activists. It is a wonderful concept. It is a breath of fresh air in what seems to be a hopeless cycle of dependency that we created in this Federal Government welfare policy. It is dramatic reform.

You will hear, I am sure, some say, well, it does not go far enough, not radical enough, does not change enough. And I am sure you will hear many come to the floor and tell us how we are going to destroy neighborhoods and create mass homelessness and starve millions of children and, you know, the sky will fall. You will hear it from both sides. Usually, when that is the case, you get a pretty good feel you have a good bill because you have not satisfied the far extremes of either side.

What we have done is taken a responsible approach, one I am very proud to be associated with. And before we got this debate underway, I wanted to congratulate the leader in his ability to forge this compromise, which I truly believe will get overwhelming support on the Republican side and get substantial support on the Democratic side of the aisle. Because I know there are many on that side of the aisle who see the problems in the current system and see this as a responsible remedy to that problem.

I yield the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. I know we are going to start this, but I want to thank the junior Senator from Pennsylvania, who comes from the House, who did a lot of work on the House side putting together welfare reform. And we have been fortunate on this side of the aisle to have Senator SANTORUM's daily, hourly assistance on a very important piece of legislation, bringing people together with diverse views. It is not easy. It is all about leadership. And I congratulate and commend the Senator from Pennsylvania for his extraordinary effort. And because of that, largely because of that, I might add, I will be introducing the bill here following disposition of a number of amendments by our colleagues in reference to the DOD bill.

I thank the Senator from Pennsylvania.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996

The Senate continued with the consideration of the bill.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. I will be assisting the distinguished chairman of the Armed Services Committee at the request of the ranking member, Senator NUNN. He is in negotiations at the present time. He asked that, until he is available, I assist the distinguished chairman. So I will be scrutinizing the amendments as they are reported. I think most of them are cleared. We will have no problems.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

AMENDMENT NO. 2252

(Purpose: To amend the provision relating to authority to lease property requiring environmental remediation)

Mr. THURMOND. Mr. President, on behalf of Senator SMITH, I offer an amendment which perfects section 120(h)(3) by clarifying that section 120(h)(3) of the Comprehensive Environmental Response Compensation and Liability Act of 1980 does not apply to long-term leases at military bases undergoing hazardous waste remedial action.

Mr. President, I believe this amendment has been cleared by the other side.

Mr. FORD. Mr. President, the minority side has no objections to this amendment.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from South Carolina [Mr. THURMOND], for Mr. SMITH, proposes an amendment numbered 2252.

Mr. THURMOND. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 468, strike lines 16 through 24 and insert the following:

"The requirements of subparagraph (B) shall not apply in any case in which the transfer of the property occurs or has occurred by means of a lease, without regard to whether the lessee has agreed to purchase the property or whether the duration of the lease is longer than 55 years. In the case of a lease entered into after September 30, 1995, with respect to real property located at an installation approved for closure or realignment under a base closure law, the agency leasing the property, in consultation with the Administrator, shall determine before leasing the property that the property is suitable for lease, that the uses contemplated for the lease are consistent with protection of human health and the environment, and that there are adequate assurances that the United States will take all remedial action referred to in subparagraph (B) that has not been taken on the date of the lease.".

Mr. SMITH. Mr. President, during the Armed Services Committee consideration of S. 1026, Senator MCCAIN and I introduced language to amend section 120(h)(3) of the Comprehensive Environmental Response Compensation and Liability Act of 1980 [CERCLA], otherwise known as Superfund, to allow for the use of long-term leases at former military bases undergoing hazardous waste remedial action.

The need for this language grew out of a lawsuit filed by the Conservation Law Foundation [CLF] and the town of Newington, NH, which charged that the Air Force had violated Superfund section 120(h) by transferring contaminated parcels at Pease Air Force Base via long-term lease without an approved remedial design. In a decision dated August 29, 1994, Judge Martin Loughlin of the U.S. District Court for the District of New Hampshire, held that the Air Force's actions to provide long-term leases to the State of New Hampshire were a violation of CERCLA. Not only has this decision placed a cloud over redevelopment efforts at Pease, but more important, it has helped to hinder the expedited redevelopment of facilities across the Nation that are being closed under the Base Closure and Realignment Act.

The language that was included in section 2824 of S. 1026 was intended to modify section 120(h)(3) of Superfund to provide that the Department of Defense may enter into long-term or other leases while any phase of the cleanup is ongoing. The amendment that I am offering today clarifies the language included in section 2824 to provide that not only are existing leases appropriate, but future leases may be entered into after consultation between the EPA and DOD. I have worked closely with Senators CHAFEE, BAUCUS, and LAUTENBERG, as well as the Department of Defense and the Department of the Air force, in developing this language, and I believe that it has been cleared by both sides.

This amendment will not only eliminate a significant obstacle to the expedited redevelopment of these bases, but it will give the Department of Defense more flexibility and creativity in placing these facilities back into productive use.

Again, I thank my colleague for working with me to adopt this important measure.

Mr. THURMOND. Mr. President, I urge the Senate adopt this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2252) was agreed to.

Mr. FORD. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2253

(Purpose: To require a cost-benefit analysis of various options for reorganization of the Army ROTC program and to delay reorganization pending submission of a report on the results of the analysis to Congress)

Mr. FORD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. FORD] proposes an amendment numbered 2253.

Mr. FORD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

At the end of subtitle E of title V, add the following:

SEC. 560. DELAY IN REORGANIZATION OF ARMY ROTC REGIONAL HEADQUARTERS STRUCTURE.

(a) DELAY.—The Secretary of the Army may not take any action to reorganize the regional headquarters and basic camp structure of the Reserve Officers Training Corps program of the Army until six months after the date on which the report required by subsection (d) is submitted.

(b) COST-BENEFIT ANALYSIS.—The Secretary of the Army shall conduct a comparative cost-benefit analysis of various options for the reorganization of the regional headquarters and basic camp structure of the Army ROTC program. As part of such analysis, the Secretary shall measure each reorganization option considered against a common set of criteria.

(c) SELECTION OF REORGANIZATION OPTION FOR IMPLEMENTATION.—Based on the findings resulting from the cost-benefit analysis under subsection (b) and such other factors as the Secretary consider appropriate, the Secretary shall select one reorganization option for implementation. The Secretary may select an option for implementation only if the Secretary finds that the cost-benefit analysis and other factors considered clearly demonstrate that such option, better than any other option considered—

(1) provides the structure to meet projected mission requirements;

(2) achieves the most significant personnel and cost savings;

(3) uses existing basic and advanced camp facilities to the maximum extent possible;

(4) minimizes additional military construction costs; and

(5) makes maximum use of the reserve components to support basic and advanced camp operations, thereby minimizing the effect of those operations on active duty units.

(d) REPORT.—Not later than 60 days after the date of the enactment of this Act, the Secretary of the Army shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report describing the reorganization option selected under subsection (c). The report shall include the results of the cost-benefit analysis under subsection (b) and a detailed rationale for the reorganization option selected.

Mr. FORD. This amendment would prohibit the Army from reorganizing regional headquarters of the ROTC Program until 6 months after they submit studies justifying the reorganizational cost-benefit.

I urge its acceptance.

Mr. THURMOND. Mr. President, it was cleared on this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2253) was agreed to.

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

Mr. THURMOND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2254

(Purpose: To require a report on the effect of the closure of Fitzsimons Army Medical Center on the capability of the Department of Defense to provide appropriate health care to veterans of the Persian Gulf War and their families suffering from illnesses associated with their service during that conflict)

Mr. THURMOND. Mr. President, on behalf of Senator CAMPBELL, I offer an amendment which will require a report on the effect of the closure of Fitzsimons Army Medical Center on the capability of the Department of Defense to provide appropriate health care to Persian Gulf war veterans suffering from illness associated with that conflict.

Mr. President, I believe this amendment has been cleared by the other side.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from South Carolina [Mr. THURMOND], for Mr. CAMPBELL, proposes an amendment numbered 2254.

Mr. THURMOND. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 304, between lines 8 and 9, insert the following:

SEC. 744. REPORT ON EFFECT OF CLOSURE OF FITZSIMONS ARMY MEDICAL CENTER, COLORADO, ON PROVISION OF CARE TO MILITARY PERSONNEL AND DEPENDENTS EXPERIENCING HEALTH DIFFICULTIES ASSOCIATED WITH PERSIAN GULF SYNDROME

Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report that—

(1) assesses the effects of the closure of Fitzsimons Army Medical Center, Colorado, on the capability of the Department of Defense to provide appropriate and adequate health care to members and former members of the Armed Forces and their dependents who suffer from undiagnosed illnesses (or combination of illnesses) as a result of service in the Armed Forces in the Southwest Asia theater of operations during the Persian Gulf War; and

(2) describes the plans of the Secretary of Defense and the Secretary of the Army to ensure that adequate and appropriate health care is available to such members, former members, and their dependents for such illnesses.

Mr. CAMPBELL. Mr. President, this amendment requires the Secretary of Defense to complete a report on the effect of the closure of Fitzsimons Army Medical Center on gulf war veterans and their families who suffer from health problems associated with Persian Gulf syndrome. That report must also tell Congress how the Defense Department and the Army plan to provide effective testing and treatment of those people.

Mr. President, last summer I held a field hearing out in Colorado on the subject of gulf war illnesses. That experience proved to me that the Persian Gulf syndrome is real and serious. Veterans complained of respiratory illnesses, muscle and joint aches, and fatigue, as well as a series of psychological symptoms. One family I know in Colorado watched their son go from a robust, strong, and vigorous young man to a thin, weak, and depressed gulf war vet as a result of unexplained health problems stemming from his Persian Gulf service.

Many of these vets, and their families, relied on Fitzsimons for testing and treatment. Fitzsimons is 1 of 15 regional medical centers for conducting evaluations of Persian Gulf war illnesses. Last October, Fitzsimons opened the Persian Gulf War Service Center to diagnose and treat gulf war vets. In addition, Fitzsimons set up a Persian Gulf war hotline to get information and make appointments.

It is hard to underestimate the importance of Fitzsimons to the regional effort in support of gulf war vets. Fitzsimons provides initial evaluations for vets in its immediate area, as well as assisted other medical facilities that could not handle the extra workload. Fitzsimons is responsible for all gulf war cases that require more extensive evaluations and treatment. Fitzsimons organizes quarterly regional conferences on Persian Gulf war illness issues. The Fitzsimons hotline continues to generate three or four new referrals every day.

We are going to lose all those services when Fitzsimons closes. I say when it closes, because I am sure that Congress will vote to accept the BRAC recommendations, with or without my support. I want to make sure that the Defense Department and the Army do not ignore these gulf war vets, and do not try to sweep their health problems under the rug.

Congress needs to know the DOD's plans to care for these people, and that is why I proposed this amendment. I appreciate the help from my colleagues on the Armed Services Committee on both sides of the aisle, and I thank them for agreeing to accept this amendment.

Mr. THURMOND. Mr. President, I congratulate Senator CAMPBELL on his amendment to require the Department of Defense to provide a report on the impact the closure of the Fitzsimons Army Medical Center will have on the treatment of Persian Gulf veterans suffering from illness associated with service in that conflict. The amendment will ensure that the Department of Defense makes appropriate arrangements for care for these veterans and their families.

I support the amendment and urge its adoption.

Mr. THURMOND. Mr. President, I urge that the Senate adopt the amendment.

Mr. FORD. Mr. President, we have no objection.

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

So the amendment (No. 2254) was agreed to.

Mr. FORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2255

(Purpose: To state the sense of the Senate on the Director of Operational Test and Evaluation)

Mr. FORD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. FORD], for Mr. PRYOR, proposes an amendment numbered 2255.

Mr. FORD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 69, between lines 9 and 10, insert the following:

SEC. 242. SENSE OF SENATE ON THE DIRECTOR OF OPERATIONAL TEST AND EVALUATION.

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

(1) The Office of the Director of Operational Test and Evaluation of the Department of Defense was created by Congress to provide an independent validation and verification on the suitability and effectiveness of new weapons, and to ensure that the United States military departments acquire weapons that are proven in an operational environment before they are produced and used in combat.

(2) The office is currently making significant contributions to the process by which the Department of Defense acquires new weapons by providing vital insights on operational weapons tests to be used in this acquisition process.

(3) The office provides vital services to Congress in providing an independent certification on the performance of new weapons that have been operationally tested.

(4) A provision of H.R. 1530, an Act entitled "An Act to authorize appropriations for fiscal year 1996 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", agreed to by the House of Representatives on June 15, 1995, contains a provision that could substantially diminish the authority and responsibilities of the office and perhaps cause the elimination of the office and its functions.

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

(1) the authority and responsibilities of the Office of the Director of Operational Test and Evaluation of the Department of Defense should not be diminished or eliminated; and

(2) the conferees on H.R. 1530, an Act entitled "An Act to authorize appropriations for fiscal year 1996 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" should not propose to Congress a conference report on that Act that would either diminish or eliminate the Office of the Director of Operational Test and Evaluation or its functions.

Mr. FORD. Mr. President, this is a sense of the Senate that the Senate should not recede to the House provision that would abolish DOD Director of Operational Test and Evaluations.

I believe it has been cleared on the other side.

•Mr. PRYOR. Mr. President, I rise today to offer an amendment with my friend the Senator from Delaware, Senator ROTH, that would express the sense of the Senate regarding the function of operational weapons testing in the U.S. Department of Defense.

In 1983, Senator ROTH and I passed legislation in Congress creating the Office of the Director, Operational Test and Evaluation in the Pentagon. This office was designed to be an independent and objective voice in the acquisition process, making sure that new

weapons were tested in strong, realistic operational conditions before they were built and sent into combat.

Before the creation of this office, the tests on new weapons overseen strictly by those who were responsible for the development and production of these systems. Their strong financial and emotional attachment to the weapons being tested often compromised the integrity of the entire military acquisition process, and led to the fielding of weapons that simply did not work.

So the independent operational testing office was created to eliminate the practice where "the students were grading their own exams." Since its creation, this office has worked hard to restore integrity and objectivity to DOD procurement. Our operational testers currently provide valuable information on the reliability and effectiveness of new weapons being developed and produced.

Mr. President, I was shocked to learn that the House version of the DOD authorization bill for fiscal year 1996 contained a provision to eliminate the Office of the Director of Operational Test and Evaluation and its important testing oversight function. The House legislation is dangerously misguided. In their apparent effort to streamline the Office of the Secretary of Defense, the House National Defense Committee has attempted to eliminate this important office and the responsibility of operationally testing new weapons.

I am pleased that the Senate Armed Services Committee's bill does not contain a similar provision. However, I am fully aware that this issue must still be resolved in the House/Senate conference on this particular legislation. As a result, Senator ROTH and I, as coauthors of the legislation creating the testing office, feel strongly that the U.S. Senate must respond strongly to the provisions passed by our friends in the House of Representatives.

I thank the distinguished chairman of the Armed Services Committee, Senator THURMOND, and the ranking member, Senator NUNN, for accepting this amendment.●

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

So the amendment (No. 2255) was agreed to.

Mr. FORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. THURMOND. Mr. President, I have to go to the telephone. I am going to ask the able Senator from Idaho to take over in my place.

The PRESIDING OFFICER. The Senator from Idaho.

AMENDMENT NO. 2256

(Purpose: To revise the authority relating to awards for service during the Vietnam era in order to authorize upgrades of awards)

Mr. KEMPTHORNE. Mr. President, on behalf of Senator LOTT, I offer an amendment which would allow the Secretary of Defense or service secretary to award appropriate decorations to Vietnam veterans. I believe this amendment has been cleared by the other side.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Idaho [Mr. KEMPTHORNE], for Mr. LOTT, proposes an amendment numbered 2256.

On page 202, line 16, insert "or upgrade" after "award".

Mr. FORD. Mr. President, this side has no objection.

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

So the amendment (No. 2256) was agreed to.

Mr. KEMPTHORNE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2257

Mr. FORD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. FORD], for Mr. NUNN, proposes an amendment numbered 2257.

Mr. FORD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 137, after line 24, insert the following:

SEC. . AUTHORIZING THE AMOUNTS REQUESTED IN THE BUDGET FOR JUNIOR ROTC.

(a) There is hereby authorized to be appropriated $12,295,000 to fully fund the budget request for the Junior Reserve Officer Training Corps programs of the Army, Navy, Air Force, and Marine Corps. Such amount is in addition to the amount otherwise available for such programs under section 301.

(b) The amount authorized to be appropriated by section 101(4) is hereby reduced by $12,295,000.

Mr. MCCAIN. Mr. President, I support the amendment to provide an additional $12.2 million to the Junior ROTC Program. This will provide a level of funding equal to that requested by the administration. While I believe that the JROTC Program is of value to local communities, I continue to be concerned that its growth in funding will displace higher priority military programs during this era of declining defense budgets. I believe that the Department of Defense and Congress need to carefully scrutinize the growth of this program. Although current authority allows the JROTC Program to expand to as many as 3,500 schools, I believe that this would place an undue burden on the defense budget and therefore will seek to reduce this level of authority in future years. I urge the Department to exercise restraint when drafting its fiscal year 1997 budget request and not seek a growth in this program.

Mr. NUNN. Mr. President, I send to the desk an amendment that would fully fund the Department of Defense budget request for Junior ROTC. The bill as reported, would freeze the program at the fiscal year 1995 level of funding, which would have the effect of precluding the Department's planned expansion to an additional 435 schools, covering approximately 30,000 students.

Junior ROTC is a nationwide partnership program between the military services and high schools which emphasizes self-discipline, citizenship, personal responsibility, and sound work habits. It features classroom instruction, extracurricular activities, and summer camp. The program has received strong support from high school faculties, community leaders, and parents.

Junior ROTC makes an enormous contribution to our nation, both in terms of the impact on military recruiting and the impact on the individuals and communities who benefit from this outstanding program.

In the early nineties, the program was substantially expanded as a result of an initiative by Gen. Colin Powell and President Bush to address the issues of citizenship and self-esteem among at-risk teens in the wake of the LA riots.

President Bush said that JROTC is "a great program that boosts high school completion rates, reduces drug use, raises self-esteem, and gets these kids firmly on the right track."

General Powell said:

With its emphasis on self-discipline, personal responsibility, values, citizenship, and saying NO to drugs, JROTC provides America's youth with positive incentives to stay in high school and graduate. * * * I believe immediate expansion of the JROTC program is the best opportunity for the Department of Defense to make a positive impact on the Nation's youth.

The present members of the Joint Chiefs of Staff strongly support the program, and I ask unanimous request that a letter dated August 3, 1995, signed by all of the Chiefs be printed in the RECORD, and I urge the adoption of the amendment.

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

THE CHAIRMAN,
JOINT CHIEFS OF STAFF,
Washington, DC, August 3, 1995.

Hon. STROM THURMOND,
Chairman, Committee on Armed Services, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: We are concerned about the recent Committee markup that would freeze funding for the Junior Reserve Officers' Training Corps (JROTC) Program at the FY 1995 levels—an action that would deny 435 high schools the opportunity many have sought for years, the chance to host a JROTC unit. This program has an 80-year track record of success and historically has enjoyed strong bipartisan support by the Congress. We hope that the Senate could adopt appropriate modifications to the Committee's Bill (S. 1026).

The current expansion of the program was initiated by then-Chairman Colin Powell, who recognized that JROTC offers young people an opportunity to improve their sense of responsibility, self-esteem, and citizenship, while offering an alternative to drugs and violence. The program also influences youth to stay in high school and graduate—something we in uniform have long endorsed. Moreover, with a per-student cost of about $500 annually, JROTC is a modest investment in today's youth.

Recognizing such benefits, President Bush proposed, and the Congress supported expansion of the program from 1,600 units to 3,500. Under that authority, the Department currently is executing the fourth installment of a 5-year expansion that is slated to add 284 units during the next school year, plus 151 the following year. The Committee's Bill would truncate that planned growth.

Frankly, there would be enormous challenges associated with changing direction. Contracts for the soon-to-start 284 schools largely have been accomplished, and faculty hiring substantially is completed. Funding is committed, and JROTC contracts with school districts generally require a 1-year notice before a Military Department unilaterally may terminate a unit. Nearly 70 percent of instructors for the new units are hired and are in the process of relocating. Millions of dollars for instructional materials, uniforms, equipment and supplies are in-place or on-order—the start date for classes is only a few weeks away! A display of affected schools, by state, is attached.

We remain sensitive to the competing demands and choices that must be made under tight budgets. Nonetheless, the Services always have prioritized JROTC into their funding plans, because we are so frequently reminded of the contributions JROTC makes to America and to its youth. We hope that the Senate can accord similar priority, and amend the Committee's Bill to permit currently planned unit activations to continue.

Sincerely,

John M. Shalikashvili, Chairman of the Joint Chiefs of Staff; Dennis J. Reimer, General, U.S. Army Chief of Staff; C.C. Krulak, General, U.S. Marine Corps Commandant; W.A. Owens, Vice Chairman of the Joint Chiefs of Staff; J.M. Boorda, Admiral, U.S. Navy Chief of Naval Operations; Ronald H. Fogleman, General, U.S. Air Force Chief of Staff.

Mr. FORD. Mr. President, the bill as reported would freeze the program at the fiscal year 1995 level of funding for the Junior ROTC. I believe it has been cleared on the other side.

Mr. KEMPTHORNE. We have cleared this amendment.

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

So the amendment (No. 2257) was agreed to.

Mr. FORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2258

Mr. FORD. Mr. President, I send an amendment to the desk on behalf of Senator NUNN and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. FORD], for Mr. NUNN, proposes an amendment numbered 2258.

Mr. FORD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 109, strike out lines 1 and 2 and insert the following in lieu thereof: by inserting "of the reserve components and of the combat support and combat service support elements of the regular components" after "resources".

On page 109, strike out line 11 and all that follows through line 2 on page 110.

On page 110, in line 3, redesignate subsection (d) as subsection (c).

On page 403, insert the following between line 16 and line 17:

SEC. 1095. EXTENSION OF PILOT OUTREACH PROGRAM.

Section 1045(d) of the National Defense Authorization Act for Fiscal Year 1993 is amended by striking out "three" and inserting "five" in lieu thereof.

Mr. NUNN. Mr. President, this amendment clarifies the authorities concerning the Civil-Military Cooperative Action Program and that would extend the pilot program for reducing the demand for illegal drugs.

On a bipartisan basis, Congress established the Civil-Military Cooperative Action Program (10 U.S.C. 410) in the National Defense Authorization Act for fiscal year 1993. The purpose was to build upon the longstanding tradition of the Armed Forces—acting as good neighbors on a local level—in applying military resources to assist in worthy civic projects when they would not be competing with the private sector.

The statute required DOD to develop a coordinated program so that DOD could insure that such programs were consistent with national policy of protecting military readiness and avoiding competition with the private sector; DOD could share information among commands about useful ways to provide such assistance; and DOD could coordinate requests for assistance to avoid duplication among DOD activities and between DOD and other Federal agencies.

The statute requires DOD to establish a "Civil-Military Cooperative Action Program" to "use the skills, capabilities, and resources to the Armed Forces to assist civilian efforts to meet the domestic needs of the United States." It further requires DOD to establish advisory councils on the regional, State, or local level, as appropriate, comprised of representatives from business, civic, and social service organizations, and Federal, State, and local agencies. The advisory councils provide recommendations on projects and program guidance. In addition, DOD is required to issue regulations governing the types of assistance, and guidance to assure nonduplication of public service and noncompetition with the private sector.

The Civil-Military Cooperative Action Program builds upon a longstanding tradition of military commanders serving as good neighbors—coordinating training activities and providing assistance to local communities to help with worthy civic projects. The statutory program is designed to ensure that these efforts are conducted in accordance with national goals—that is, they must be consistent with readiness and there must be no competition with the private sector or other public activities.

At a time when we are providing over $250 billion in funding for defense—and when defense is the only segment of the Government receiving a substantial budget increase—it is no time to tell our communities that the military cannot or will not provide assistance consistent with military readiness and training.

The civil-military cooperation cannot and should not be a military mission. But there is no reason why the Armed Forces cannot conduct training—particularly in terms of the activities of support troops—in a manner that can have incidental benefits to civilian society.

A good example is medical screening. When troops go on cold weather training in Alaska, why shouldn't the medics assist medically underserved communities with screening and basic medical supplies—particularly when the shelf-life of those supplies will expire if not used?

The bill as reported by the committee makes a number of useful changes in the current statutory authority to emphasize military readiness, but several improvements are needed in the language recommended by the committee.

The bill as reported would restrict the program to the reserve components. My amendment would make it clear that the program also applies to the combat support and combat service support elements of active duty regular components.

The bill as reported would eliminate Federal agencies labor unions from

participation in the advisory councils. The advisory councils were designed to bring together business, civic, and government leaders to ensure that there is no private sector competition and no duplication of services offered by other public agencies. We should not exclude Federal agencies and labor unions from the process since that could lead to unnecessary duplication of Federal and private sector services.

My amendment does not affect the provision of the bill providing that the management of the program should not be located under the Assistant Secretary of Defense for Reserve Affairs. Since the program clearly applies to the active and the reserve components, oversight should be provided by the Under Secretary of Defense for Personnel and Readiness. It is my expectation that the expertise and experience of those who have been responsible for the program to date would be relied upon by the Under Secretary in his oversight of this program.

My amendment also extends for 2 years the pilot outreach program to reduce demand for illegal drugs, authorized by section 1045 of the National Defense Authorization Act for Fiscal Year 1995. The pilot program has been reviewed by the Rand Corp. and has generally received good reviews. There has been insufficient opportunity at this point, however, to determine the long-term effectiveness of the program, so a 2-year extension of the pilot is warranted.

Mr. President, I note that the Department of Defense appropriations bill for fiscal year 1995, as reported by the Appropriations Committee, fully funds the administration's request for the Civil-Military Cooperative Action Program and the related Challenge and Starbase Programs. That funding is fully consistent with the continuing authority provided by the Armed Services Committee for these important programs.

Mr. MCCAIN. Mr. President, I support the amendment to allow the Department of Defense to continue the Pilot Outreach Program another 2 years. I further support the perfecting language regarding the Civil Military Cooperation Program. I believe that these programs can be of great value, however, I am concerned when scarce defense dollars are earmarked for these programs that do not significantly enhance national security. I note with approval that this will not be the case in this situation. I urge the Department of Defense to refrain from requesting funds for these programs in the future since there are so many more pressing military requirements that continue to go unfunded. It is my hope that these programs will continue to provide valuable services to local communities using funds that are more appropriate to their mission.

Mr. FORD. Mr. President, this clarifies the authority concerning the Civil Military Cooperative Action Program.

Mr. KEMPTHORNE. Mr. President, this amendment has been cleared.

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

So the amendment (No. 2258) was agreed to.

Mr. FORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2259

(Purpose: To amend section 381 to make the National Defense Sealift Fund available for expenses of the entire National Defense Reserve Fleet)

Mr. KEMPTHORNE. Mr. President, on behalf of Senator THURMOND, I offer an amendment which would perfect a provision included in the bill that makes certain changes in funding for the Ready Reserve component of the National Defense Reserve Fleet. Based on consultation with the Office of the Secretary of Defense and Navy, this amendment would extend the authority to include the entire National Defense Reserve Fleet.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Idaho [Mr. KEMPTHORNE], for Mr. THURMOND, proposes an amendment numbered 2259.

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 114, beginning on line 9, strike out **"READY RESERVE COMPONENT OF THE READY RESERVE FLEET."** and insert in lieu thereof **"THE NATIONAL DEFENSE RESERVE FLEET.".**

On page 114, beginning on line 20, strike out "of the Ready Reserve component".

Mr. KEMPTHORNE. I believe this amendment has been cleared by the other side.

Mr. FORD. Mr. President, we have no objection to this amendment.

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

So the amendment (No. 2259) was agreed to.

Mr. KEMPTHORNE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2260

(Purpose: To authorize a land conveyance, Radar Bomb Scoring Site, Forsyth, Montana)

Mr. KEMPTHORNE. Mr. President, on behalf of Senators MCCAIN and GLENN, the chairman and ranking member of the Readiness Subcommittee, I offer an amendment which would convey approximately 58 acres comprising radar bomb scoring site, Forsyth, MT, to the city of Forsyth, MT.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho [Mr. KEMPTHORNE], for Mr. MCCAIN, for himself and Mr. GLENN, proposes an amendment numbered 2260.

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 487, below line 24, add the following:

SEC. 2838. LAND CONVEYANCE, RADAR BOMB SCORING SITE, FORSYTH, MONTANA.

(a) AUTHORITY TO CONVEY.—The Secretary of the Air Force may convey, without consideration, to the City of Forsyth, Montana (in this section referred to as the "City"), all right, title, and interest of the United States in and to the parcel of property (including any improvements, thereon) consisting of approximately 58 acres located in Forsyth, Montana, which has served as a support complex and recreational facilities for the Radar Bomb Scoring Site, Forsyth, Montana.

(b) CONDITION OF CONVEYANCE.—The conveyance under subsection (a) shall be subject to the condition that the City—

(1) utilize the property and recreational facilities conveyed under that subsection for housing and recreation purposes; or

(2) enter into an agreement with an appropriate public or private entity to lease such property and facilities to that entity for such purposes.

(c) REVERSION.—If the Secretary determines at any time that the property conveyed under subsection (a) is not being utilized in accordance with paragraph (1) or paragraph (2) of subsection (b), all right, title, and interest in and to the conveyed property, including any improvements thereon, shall revert to the United States and the United States shall have the right of immediate entry onto the property.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property conveyed under this section shall be determined by a survey satisfactory to the Secretary. The cost of such survey shall be borne by the City.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary determines appropriate to protect the interests of the United States.

Mr. MCCAIN. Mr. President, I join Senator GLENN, my colleague, the ranking member on the Readiness Subcommittee, in offering an amendment that the subcommittee considered during the markup of the authorization bill.

The amendment authorizes the Secretary of the Air Force to convey 58 acres of property located at the Radar Bomb Scoring Site, Forsyth, MT, to the city of Forsyth, MT. The Air Force

is planning to vacate the property and declare it excess to its needs. By authorizing the conveyance of the property to the city of Forsyth, we will meet a housing need for the elderly and provide a recreation area for the community.

Although we considered the amendment during the markup of this bill, the subcommittee had not received the appropriate General Services Administration [GSA] screen certifying that no other Federal agency had a need for the property. The subcommittee therefore agreed to defer action on the conveyance until the GSA cleared the property for disposal. We now have that clearance and are prepared to recommend to the Senate to accept the amendment.

Mr. President, Senator GLENN and I believe the GSA screen is an essential step toward maximizing the use of our Federal resources. We have already submitted all the land conveyances contained in the House bill to the GSA for review and will apply the same criteria to those conveyances as we have to this amendment.

I thank Senator GLENN for his cooperation and urge the adoption of the amendment.

Mr. GLENN. Mr. President, the amendment offered by Senator MCCAIN and myself concerns a land issue which the Readiness Subcommittee considered during its markup proceedings.

The amendment authorizes the Secretary of the Air Force to convey 58 acres of property located at the Radar Bomb Scoring Site, Forsyth, MT, to the city of Forsyth, MT. The Air Force plans to vacate the few housing facilities and to declare the property excess to its needs. In receiving the property, the city of Forsyth must continue to use the facilities for housing purposes. The city of Forsyth has a justified need for these facilities to house the elderly in the community.

The subcommittee recognized the local community's needs and the Air Force's desire to vacate and dispose of the property. However, the members of the Readiness Subcommittee chairman agreed to defer action on the proposal until the General Services Administration [GSA] completed an expedited screening of the property to determine if any Federal agencies had an interest in the property.

Requiring GSA to screen the property is in keeping with my concern that we should not give away property without protecting the interests of the Federal Government.

On July 11, GSA reported back to the subcommittee that no Federal interests in the property were expressed. In addition at Senator MCCAIN's and my request GSA made a preliminary valuation of the property. GSA estimates that the property is worth $700,000.

In keeping with the subcommittee's agreement, Senator MCCAIN and I urge the adoption of the amendment.

Mr. BURNS. Mr. President, I rise today in support of the amendment to the defense authorization bill which would transfer land at the Air Force Complex at Forsyth, MT, to the community.

This amendment makes sense. The Air Force will be releasing this facility in the near future and the community will benefit greatly by acquiring this property. It is a win-win situation for the Air Force and the community.

The city of Forsyth has met all necessary requirements and the conveyance is noncontroversial. They will use the property for affordable housing for retirees, assist the hospital and nursing home in their expansion plans, and assure that the facility is cared for and improved rather than allowed to deteriorate.

This is clearly a positive solution and provides the highest and best use for the property. The community of Forsyth should be commended for their tireless work on this project.

I yield the floor.

Mr. KEMPTHORNE. Mr. President, this has been cleared by the other side.

Mr. FORD. We have no objection.

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

So the amendment (No. 2260) was agreed to.

Mr. KEMPTHORNE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2261

(Purpose: To authorize a land conveyance, Radar Bomb Scoring Site, Powell, Wyoming)

Mr. KEMPTHORNE. Mr. President, on behalf of Senators MCCAIN and GLENN, the chairman and ranking members of the Readiness Subcommittee, I offer an amendment which conveys approximately 24 acres comprising the radar bomb scoring site, Powell, WY, to the northwest board of trustees, Powell, WY.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho [Mr. KEMPTHORNE], for Mr. MCCAIN, for himself and Mr. GLENN, proposes an amendment numbered 2261.

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 487, below line 24, add the following:

SEC. 2838. LAND CONVEYANCE, RADAR BOMB SCORING SITE, POWELL, WYOMING.

(a) AUTHORITY TO CONVEY.—The Secretary of the Air Force may convey, without consideration to the Northwest College Board of Trustees (in this section referred to as the "Board"), all right, title, and interest of the United States in and to a parcel of real property (including any improvements thereon) consisting of approximately 24 acres located in Powell, Wyoming, which has served as the location of a support complex, recreational facilities, and housing facilities for the Radar Bomb Scoring Site, Powell, Wyoming.

(b) CONDITION OF CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the condition that the Board use the property conveyed under that subsection for housing and recreation purposes and for such other purposes as the Secretary and the Board jointly determine appropriate.

(c) REVERSIONARY INTEREST.—During the 5-year period beginning on the date that the Secretary makes the conveyance authorized under subsection (a), if the Secretary determines that the conveyed property is not being used in accordance with subsection (b), all right, title, and interest in and to the conveyed property, including any improvements thereon, shall revert to the United States and the United States shall have the right of immediate entry onto the property.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property conveyed under this section shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Board.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

Mr. MCCAIN. Mr. President, Senator GLENN and I are offering an amendment to convey approximately 24 acres comprising the radar bomb scoring site, Powell, WY, to the Northwest College Board of Trustees. This conveyance like the one in the previous amendment has been screened by the GSA for other Federal use and declared to be excess to the Government.

I recommend the adoption of the amendment.

Mr. GLENN. Mr. President, the amendment offered by Senator MCCAIN and myself concerns a land issue which the Readiness Subcommittee considered during its markup proceedings.

The amendment authorizes the Secretary of the Air Force to convey 24 acres of property located at the radar bomb scoring site, Powell, WY, to the Northwest College in Powell, WY. The Air Force plans to vacate the facilities as early as August 1995. In receiving the property, the college must continue to use the facilities for housing purposes and recreational purposes. The college has a justified need for these facilities to house and support students at the college. The Northwest College Task Force, which includes several members of the Wyoming Legislature and the Powell Chamber of Commerce, and the Air Force support this proposal.

The subcommittee recognized the college's needs and the Air Force's desire to vacate and dispose of the property. However, the members of the Readiness Subcommittee Chairman agreed to defer action on the proposal

until the General Services Administration [GSA] completed an expedited screening of the property to determine if any Federal agencies had an interest in the property.

Requiring GSA to screen the property is in keeping with my concern that we should not give away property without protecting the interests of the Federal Government.

On July 11, GSA reported back to the subcommittee that no Federal interests in the property were expressed. In keeping with the subcommittee's agreement, Senator MCCAIN and I urge the adoption of the amendment.

Mr. THURMOND. I want to compliment Senator MCCAIN and Senator GLENN, the chairman and ranking member of the Readiness Subcommittee, for their work on this amendment and their continuing efforts to ensure that Federal property is properly screened for use by other Federal agencies before it is conveyed to the private sector.

Mr. President, I understand that both these bomb scoring sites at Powell, WY, and Forsyth, MT, have been screened by the General Services Administration for potential use by other Federal agencies and that there is no interest. Therefore, I support the amendment and the transfer to the local government entities for use to improve housing, education, and recreation.

Mr. SIMPSON. Mr. President, I would simply like to add my strong support for this bill and in particular, for the provision relating to the land conveyance of the former Air Force radar bomb scoring site near Powell, WY.

This provision properly authorizes the Secretary of the Air Force to convey, without consideration, to the Northwest College Board of Trustees, all right, title, and interest of the United States—in and to—the parcel of real property consisting of approximately 24 acres located in Powell, WY.

This parcel also includes facilities such as a commissary and post exchange, as well as housing facilities that the Northwest College will most surely put to good use almost immediately.

The Northwest College Task Force, several members of the Wyoming Legislature and the Powell Chamber of Commerce have all endorsed the re-use proposal submitted by the Northwest College. Northwest College will use the facilities to help to alleviate their acute student housing shortage and for other educational and classroom purposes.

Mr. President, I sat on the Northwest College Board for 8 years and I can certainly attest to the fact that this is a great community college. One of the best.

This transfer of Air Force property will be well noted and greatly appreciated by the community of Powell, WY and the college, as they face continued growth into the 21st century.

I would like to offer my deepest thanks to Senator THURMOND, Senator BURNS, and Senator NUNN for their efforts—as well as their fine staff representatives—in this endeavor. They have all been so supportive of the Wyoming delegation's efforts regarding this provision, and I do greatly appreciate that. Thank you, Mr. President.

Mr. KEMPTHORNE. Mr. President, this has been cleared by the other side.

Mr. FORD. We have no objection.

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

So the amendment (No. 2261) was agreed to.

Mr. KEMPTHORNE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2262

(Purpose: To express the sense of Congress regarding establishment of Junior Reserve Officers' Training Corps units in schools on Indian reservations)

Mr. KEMPTHORNE. Mr. President, on behalf of Senator PRESSLER, I offer an amendment which expresses the sense of the Senate that Indian reservations receive full consideration in selection of future JROTC sites.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Idaho [Mr. KEMPTHORNE], for Mr. PRESSLER, proposes an amendment numbered 2262.

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 343, after line 24, insert the following:

SEC. 1036. ESTABLISHMENT OF JUNIOR R.O.T.C. UNITS IN INDIAN RESERVATION SCHOOLS.

It is the sense of Congress that the Secretary of Defense should ensure that secondary educational institutions on Indian reservations are afforded a full opportunity along with other secondary educational institutions to be selected as locations for establishment of new Junior Reserve Officers' Training Corps units.

Mr. PRESSLER. Mr. President, I rise to offer a sense-of-the-Senate amendment which states that as the Junior Reserve Officers Training Corps [JROTC] programs expands in the future, the Department of Defense will seek to expand JROTC opportunities in schools on Indian reservations that seek to participate in the JROTC program. Unfortunately, only six of the Nation's 3,500 schools currently participating in the JROTC program are located on Indian reservations.

The JROTC program helps our young people acquire the skills that will serve them the remainder of their lives. To achieve this goal, the JROTC curriculum includes such topics as American citizenship, history, self-discipline, goal-setting, ethics, responsibility, and integrity. In short, the JROTC program helps motivate young men and women to become better American citizens. I believe the JROTC program is a valuable addition to any high school's educational curriculum.

Many challenges face native American youth today. Too many Indian children grow up without having the opportunities or options available to help them achieve their full potential. Native American youth too often enter adulthood without the necessary skills to contribute to their local communities. As a result, they are unable to reap the benefits or meet all the responsibilities of parenthood, citizenship, and employment.

Today's native American youth hold within them the key to the future of native American communities. In their heads, hands, and hearts are the tools to a better life for them, their family, and their community. As their elected representatives, we can help prepare these young people for more productive lives by expanding the learning opportunities available to them. The JROTC program is one option that if made more available on native American reservations, could make a big contribution to young people seeking to make a difference for themselves. I thank the chairman and ranking member of the Armed Services Committee for their cooperation with this amendment. I intend to work with Secretary Perry and the other leaders of our Armed Forces in determining how we can achieve the goal of a greater JROTC presence on native American reservations. I urge my colleagues to join me in supporting this amendment.

Mr. MCCAIN. Mr. President, I support this amendment expressing the sense of the Senate that secondary educational institutions on Indian reservations be afforded full and equal opportunity to be selected as locations for establishment of new Junior Reserve Officers' Training Corps units.

Mr. KEMPTHORNE. Mr. President, I believe this amendment has been cleared with the other side.

Mr. FORD. We have no objection.

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

So the amendment (No. 2262) was agreed to.

Mr. KEMPTHORNE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2263

(Purpose: To make certain that the Committee on Foreign Relations receives certain reports from the Department of Defense)

Mr. KEMPTHORNE. Mr. President, on behalf of Senator HELMS, I offer an

amendment which would make certain that the Foreign Relations Committee receives certain reports from the Department of Defense.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Idaho [Mr. KEMPTHORNE], for Mr. HELMS, proposes an amendment numbered 2263.

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 348, beginning on line 23, strike out "to Congress" and insert in lieu thereof the following: "to the Committee on Armed Services and on Foreign Relations of the Senate and the Committees on National Security and on International Relations of the House of Representatives".

On page 368, line 7, after "defense committees" insert the following: ", the Committee on Foreign Relations of the Senate, and the Committee on International Relations of the House of Representatives".

Mr. KEMPTHORNE. Mr. President, I believe this amendment has been cleared with the other side.

Mr. FORD. Mr. President, we have no objection.

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

So the amendment (No. 2263) was agreed to.

Mr. KEMPTHORNE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2264

(Purpose: To amend section 1012 to strike out a waiver of congressional notification requirements for transfers of certain vessels to certain foreign countries)

Mr. KEMPTHORNE. Mr. President, on behalf of Senator COHEN, I offer an amendment that would amend section 1012 of the bill. Section 1012 authorized the transfer of several ships to certain foreign countries under the authority of 10 USC 7307(b)(1). It contained a waiver of the requirements contained in the Arms Export Control Act and the Foreign Assistance Act to formally notify certain congressional committees of the terms of transfer. While inclusion of this waiver reflected an established practice of several years duration, these committees have now reaffirmed their preference for formal notification. This amendment would acknowledge their request and delete the waiver of reporting requirements from section 1012.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Idaho [Mr. KEMPTHORNE], for Mr. COHEN, proposes an amendment numbered 2264.

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 334, strike out lines 6 through 15.

On page 334, line 16, strike out "(d)" and insert in lieu thereof "(c)".

On page 334, line 19, strike out "(e)" and insert in lieu thereof "(d)".

Mr. KEMPTHORNE. Mr. President, I believe this has been cleared with the other side.

Mr. FORD. Mr. President, we have no objection.

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

So the amendment (No. 2264) was agreed to.

Mr. KEMPTHORNE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2265

(Purpose: To require reports on arms export control and military assistance)

Mr. FORD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. FORD], for Mr. PRYOR, proposes an amendment numbered 2265.

Mr. FORD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 371, below line 21, add the following:

SEC. 1062. REPORTS ON ARMS EXPORT CONTROL AND MILITARY ASSISTANCE.

(a) REPORTS BY SECRETARY OF STATE.—Not later than 180 days after the date of the enactment of this Act and every year thereafter until 1998, the Secretary of State shall submit to Congress a report setting forth—

(1) an organizational plan to include those firms on the Department of State licensing watch-lists that—

(A) engage in the exportation of potentially sensitive or dual-use technologies; and

(B) have been identified or tracked by similar systems maintained by the Department of Defense, Department of Commerce, or the United States Customs Service; and

(2) further measures to be taken to strengthen United States export-control mechanisms.

(b) REPORTS BY INSPECTOR GENERAL.—(1) Not later than 180 days after the date of the enactment of this Act and 1 year thereafter, the Inspector General of the Department of State and the Foreign Service shall submit to Congress a report on the evaluation by the Inspector General of the effectiveness of the watch-list screening process at the Department of State during the preceding year. The report shall be submitted in both a classified and unclassified version.

(2) Each report under paragraph (1) shall—

(A) set forth the number of licenses granted to parties on the watch-list;

(B) set forth the number of end-use checks performed by the Department;

(C) assess the screening process used by the Department in granting a license when applicant is on a watch-list; and

(D) assess the extent to which the watch-list contains all relevant information and parties required by statute or regulation.

(c) ANNUAL MILITARY ASSISTANCE REPORT.—The Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) is amended by inserting after section 654 the following new section:

"SEC. 655 ANNUAL MILITARY ASSISTANCE REPORT.

"(a) IN GENERAL.—Not later than February 1 of 1996 and 1997, the President shall transmit to Congress an annual report for the fiscal year ending the previous September 30, showing the aggregate dollar value and quantity of defense articles (including excess defense articles) and defense services, and of military education and training, furnished by the United States to each foreign country and international organization, by category, specifying whether they were furnished by grant under chapter 2 or chapter 5 of part II of this Act or by sale under chapter 2 of the Arms Control Export Control Act or authorized by commercial sale license under section 38 of that Act.

"(b) ADDITIONAL CONTENTS OF REPORTS.—Each report shall also include the total amount of military items of non-United States manufacture being imported into the United States. The report should contain the country of origin, the type of item being imported, and the total amount of items.".

Mr. FORD. Mr. President, this requires the Secretary of State and the State Department IG to make various reports on weapons exports. I believe it has been cleared on the other side.

Mr. KEMPTHORNE. Mr. President, this has been cleared.

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

So the amendment (No. 2266) was agreed to.

Mr. FORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2266

(Purpose: To make miscellaneous amendments to provisions of law enacted in the Federal Acquisition Streamlining Act of 1994)

Mr. KEMPTHORNE. Mr. President, I send an amendment to the desk on behalf of Senator THURMOND which makes clarifying changes in the Federal Acquisition Streamlining Act and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho [Mr. KEMPTHORNE], for Mr. THURMOND, proposes an amendment numbered 2266.

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 313, between lines 8 and 9, insert the following:

SEC. 815. COST AND PRICING DATA.

(a) ARMED SERVICES PROCUREMENTS—Section 2306a(d)(2)(A)(i) of title 10, United States Code, is amended by striking out "and the procurement is not covered by an exception in subsection (b)," and inserting in lieu thereof "and the offeror or contractor requests to be exempted from the requirement for submission of cost or pricing data pursuant to this subsection,".

(b) CIVILIAN AGENCY PROCUREMENTS.—Section 304a(d)(2)(A)(i) of the Federal Property and Administration Services Act of 1949 (41 U.S.C. 254b(d)(2)(A)(i)) is amended by striking out "and procurement is not covered by an exception in subsection (b)," and inserting in lieu thereof "and the offeror or contractor requests to be exempted from the requirement for submission of cost or pricing data pursuant to this subsection,".

SEC. 816. PROCUREMENT NOTICE TECHNICAL AMENDMENTS.

Section 18(c)(1)(E) of the Office of Federal Procurement Policy Act (41 U.S.C. 416(c)(1)(E)) is amended by inserting after "requirements contract" the following: ", a task order contract, or a delivery order contract".

SEC. 817. REPEAL OF DUPLICATIVE AUTHORITY FOR SIMPLIFIED ACQUISITION PURCHASES.

Section 31 of the Office of Federal Procurement Policy Act (41 U.S.C. 427) is amended—

(1) by striking out subsections (a), (b), and (c);

(2) by redesignating subsections (d), (e), and (f) as (a), (b), and (c), respectively;

(3) in subsection (b), as so redesignated, by striking out "provided in the Federal Acquisition Regulation pursuant to this section" each place it appears and inserting in lieu thereof "contained in the Federal Acquisition Regulation"; and

(4) by adding at the end the following:

"(d) PROCEDURES DEFINED.—The simplified acquisition procedures referred to in this section are the simplified acquisition procedures that are provided in the Federal Acquisition Regulation pursuant to section 2304(g) of title 10, United States Code, and section 303(g) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(g)).".

SEC. 818. MICRO-PURCHASES WITHOUT COMPETITIVE QUOTATIONS.

Section 32(d) of the Office of Federal Procurement Policy Act (41 U.S.C. 428) is amended by striking out "the contracting officer" and inserting in lieu thereof "an employee of an executive agency or a member of the Armed Forces of the United States authorized to do so".

Mr. THURMOND. Mr. President, this is an amendment containing a series of clarifying changes to the Federal Acquisition Streamlining Act of 1994. These are part of a number of changes that the administration has asked us to make to the legislation in light of experience with implementation of the new law. The Members of the Senate will note that title 8 of the defense authorization bill contains a number of these relatively minor changes to title 10 of the United States Code to advance the streamlining of the acquisition process. The changes in my amendment would affect other parts of the United States Code that are not solely within our committee's jurisdiction. This amendment has been coordinated with the Committees on Governmental Affairs and Small Business. It has been cleared on both sides. I ask that the amendment be agreed to.

Mr. KEMPTHORNE. I believe this has been cleared by the other side.

Mr. FORD. We have no objection.

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

So the amendment (No. 2266) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2267

(Purpose: To strike out provisions that amend title 38, United States Code, relating to veterans' benefits)

Mr. KEMPTHORNE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho [Mr. KEMPTHORNE], for Mr. THURMOND, proposes an amendment numbered 2267.

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 381, beginning on line 5, strike out "(a)" and all that follows through "ACTIVITIES.—" on line 6.

On page 381, strike out lines 13 through 16.

On page 403, strike out lines 5 through 16.

Mr. THURMOND. Mr. President, this amendment clarifies how we will deal with three issues with which the Armed Services Committee shares an interest with the Veterans' Affairs Committee.

Our bill includes three provisions which are of interest to the Department of Defense and the Department of Veterans' Affairs. I am pleased that Senator SIMPSON, chairman of the Veterans' Affairs Committee, and I have been able to agree on how our two Committees will work together to ensure the needs of both Departments are accommodated.

This amendment strikes section 1094, "Extension of the Vietnam Era," and section 1075(b) which would eliminate a joint DOD–DVA report which the Veterans' Affairs Committee would like to retain. I have been assured that the Veterans Affairs' will work in their legislation to extend the Vietnam era as requested by the Army.

As for the joint DOD–DVA report, the Armed Services Committee eliminated a large number of unneeded or outdated reporting requirements. It was not our intention to eliminate any report for which there is a valid requirement. I agree to retain this DOD–DVA health care sharing report.

The Veterans Affairs' Committee also has an interest in section 644 which makes the maximum coverage under the servicemen's group life insurance plan automatic. The change in the amount of coverage automatically available to those who elect to participate in the servicemen's group life insurance plan is important to the Department of Defense and contributes to improved quality of life for service members and their families. I have worked closely with the distinguished chairman of the Veterans' Affairs Committee to develop this legislation. I am pleased that we have been able to make this change in a cooperative manner.

I thank Senator SIMPSON, the chairman, and Senator ROCKEFELLER, the ranking member, of the Veterans' Affairs Committee for their assistance as we addressed these issues of mutual interest. Together we have been able to move forward with legislation which is beneficial to active and reserve military personnel and veterans.

I understand this amendment has been agreed to on both sides and I urge its adoption.

Mr. KEMPTHORNE. Mr. President, I believe this has been cleared.

Mr. FORD. We have no objection.

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

So the amendment (No. 2267) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2268

(Purpose: To establish and maintain a Battlefield Integration Center for the integration of missile defense warfighting pillars)

Mr. KEMPTHORNE. Mr. President, I send an amendment to the desk on behalf of Senators SHELBY and HEFLIN and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho [Mr. KEMPTHORNE], for Mr. SHELBY and Mr. HEFLIN, proposes an amendment numbered 2268.

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

(a) On page 32, before line 20, section 201(4) is amended by adding the following new subsection:

(c) 475,470,000 is authorized for Other Theater Missile Defense, of which up to $25,000,000 may be made available for the operation of the Battlefield Integration Center.

Mr. SHELBY. Mr. President, the Army's Space and Strategic Defense Command has created a promising concept for the integration of the pillars of

missile defense. Currently, there are no integrated warfighting scenario simulations available for a comprehensive integration of active defense, passive defense, attack operations and battlefield management. SSDC proposes to make fully operational a battlefield integration center to provide this virtually needed service. Certainly, the gulf war demonstrated that missile defense is not simply missile intercept.

Instead, comprehensive missile defense involves a myriad of activities ranging from the preparation of civilian populations for attack to the active suppression of an enemy's missile capabilities. Without coordination between these elements, we cannot maximize our missile defense capabilities. Increased coordination and integrated battlefield simulations will allow us to fully utilize these capabilities and create far more effective and comprehensive missile defense plans.

In addition, the integration and coordination offered by the BIC is not a distant technology. The computing and communications hardware is already in place that will allow the BIC to create missile defense plans for actual theater and regional conflicts involving U.S. forces. The BIC will instantaneously allow U.S. commanders to download and receive comprehensive missile defense battle plans based upon the existing ground conditions.

The BIC is a cost-effective, immediately available resource that will fill a large void in our missile defense system and I thank the Senate for its support.

Mr. KEMPTHORNE. Mr. President, this would authorize funds for the Battlefield Integration Center, which is very important for our theater defense program.

This has been cleared on both sides.

Mr. FORD. We have no objection.

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

So the amendment (No. 2268) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2269

(Purpose: To clarify the use of existing technologies under the requirements relating to national missile defense system architecture)

Mr. FORD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. FORD], for Mr. HEFLIN and Mr. SHELBY, proposes an amendment numbered 2269.

Mr. FORD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 58, line 13, insert ", except that Minuteman boosters may not be used as part of a National Missile Defense architecture" before the period at the end.

Mr. HEFLIN. Mr. President, this is an amendment which would prevent the use of Minuteman missile boosters as part of an NMD architecture. The reason for this amendment is the clear fact that using these boosters in this fashion would be a clear violation of the START I Treaty.

The START I Treaty is the true centerpiece of modern arms control. I am confident that no member of this body supports abandoning this treaty, so I hope this amendment will enjoy the full support of the Senate.

Mr. FORD. Mr. President, this amendment would prevent the use of Minuteman missile boosters as part of the NMD architecture.

I understand it has been cleared.

Mr. KEMPTHORNE. This amendment has been cleared.

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

So the amendment (No. 2269) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2270

(Purpose: To require the Director of the Ballistic Missile Defense Organization to establish a Ballistic Missile Defense Technology Center within the Space and Strategic Defense Command of the Army)

Mr. FORD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. FORD], for Mr. SHELBY and Mr. HEFLIN, proposes an amendment numbered 2270.

Mr. FORD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 69, between lines 9 and 10, insert the following:

SEC. 242. BALLISTIC MISSILE DEFENSE TECHNOLOGY CENTER.

(a) ESTABLISHMENT.—The Director of the Ballistic Missile Defense Organization shall establish a Ballistic Missile Defense Technology Center within the Space and Strategic Defense Command of the Army.

(b) MISSION.—The missions of the Center are as follows:

(1) To maximize common application of ballistic missile defense component technology programs, target test programs, functional analysis and phenomenology investigations.

(2) To store data from the missile defense technology programs of the Armed Forces using computer facilities of the Missile Defense Data Center.

(c) TECHNOLOGY PROGRAM COORDINATION WITH CENTER.—The Secretary of Defense, acting through the Director of the Ballistic Missile Defense Organization, shall require the head of each element or activity of the Department of Defense beginning a new missile defense program referred to in subsection (b)(1) to first coordinate the program with the Ballistic Missile Defense Technology Center in order to prevent duplication of effort.

Mr. HEFLIN. Mr. President, the purpose of this amendment, creating a Ballistic Missile Defense Technology Center, is to improve the efficiency of the BMD technology program, in the face of a shrinking technology budget. With the increased emphasis on acquisition of theater missile defense systems, clearly justified by the imminent and expanding theater missile threat, the BMD technology budget has been squeezed to the point that built-in technical obsolescence of emerging BMD systems is a serious possibility. In effect, we are eating our seed corn.

This amendment recognizes that because the BMD technology budget is dangerously close to an inadequate level, it is critically important that the dollars that are available are spent wisely. We must be vigilant to avoid duplication of effort and waste of funds on technologies of questionable priority. With all three services, and other agencies, spending BMD technology dollars on related areas of technology, the opportunities for duplication are clearly evident. Further screening and coordination of candidate technology tasks is urgently needed to assure that scarce technology funds are properly allocated.

The U.S. Army Space and Strategic Command, an organization that has been at the forefront of BMD research and development for 40 years, is the ideal center for carrying out the necessary screening and coordination of BMD technology. Acting as executive agent to the BMD office, this organization can bring an unparalleled record of technical experience and performance excellence to this challenging coordination function. In the current BMD technology program, this organization is immersed in all of the critical BMD technologies and it has a core of engineers and scientists that can immediately assume a coordination role. It constitutes a "smart buyer" of BMD technology, proven over time, and it can contribute immensely to a more efficient utilization of the technology budget.

Mr. FORD. Mr. President, this amendment establishes a ballistic missile defense technology center within the strategic defense command of the army.

This has been cleared.

Mr. KEMPTHORNE. It has been cleared.

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

So the amendment (No. 2270) was agreed to.

Mr. FORD. I move to reconsider the vote.

Mr. KEMPTHORNE. I move to lay that on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2271

(Purpose: To revise Section 1055 concerning military cooperation from a United States Policy to a sense of the Congress)

Mr. KEMPTHORNE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho [Mr. KEMPTHORNE], for Mr. HELMS, proposes an amendment numbered 2271.

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

Beginning on page 359, strike out lines 20 and 21, and insert in lieu thereof the following:

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

Mr. KEMPTHORNE. I believe this has been cleared with the other side.

Mr. FORD. It has been cleared.

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

So the amendment (No. 2271) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2272

(Purpose: To revise and improve the base closure and realignment process)

Mr. KEMPTHORNE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho [Mr. KEMPTHORNE], for Mr. MCCAIN and Mrs. FEINSTEIN, proposes an amendment numbered 2272.

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 468, below line 24, add the following:

SEC. 2825. IMPROVEMENT OF BASE CLOSURE AND REALIGNMENT PROCESS.

(a) APPLICABILITY.—Subparagraph (A) of section 2905(b)(7) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended by striking out "Determinations of the use to assist the homeless of buildings and property located at installations approved for closure under this part" and inserting in lieu thereof "Procedures for the disposal of buildings and property located at installations approved for closure or realignment under this part".

(b) REDEVELOPMENT AUTHORITIES.—Subparagraph (B) of such section is amended by adding at the end the following:

"(iii) The chief executive officer of the State in which an installation covered by this paragraph is located may assist in resolving any disputes among citizens or groups of citizens as to the individuals and groups constituting the redevelopment authority for the installation.".

(c) AGREEMENTS UNDER REDEVELOPMENT PLANS.—Subparagraph (F)(ii)(I) of such section is amended in the second sentence by striking out "the approval of the redevelopment plan by the Secretary of Housing and Urban Development under subparagraph (H) or (J)" and inserting in lieu thereof "the decision regarding the disposal of the buildings and property covered by the agreements by the Secretary of Defense under subparagraph (K) or (L)".

(d) REVISION OF REDEVELOPMENT PLANS.—Subparagraph (I) of such section is amended by inserting "the Secretary of Defense and" before "the Secretary of Housing and Urban Development" each place it appears.

(e) DISPOSAL OF BUILDINGS AND PROPERTY.—(1) Subparagraph (K) of such section is amended to read as follows:

"(K)(i) Upon receipt of a notice under subparagraph (H)(iv) or (J)(ii) of the determination of the Secretary of Housing and Urban Development that a redevelopment plan for an installation meets the requirements set forth in subparagraph (H)(i), the Secretary of Defense shall dispose of the buildings and property at the installation.

"(ii) For purposes of carrying out an environmental assessment of the closure or realignment of an installation, the Secretary shall treat the redevelopment plan for the installation (including the aspects of the plan providing for disposal to State or local governments, representatives of the homeless, and other interested parties) as part of the proposed Federal action for the installation.

"(iii) The Secretary shall dispose of buildings and property under clause (i) in accordance with the record of decision or other decision document prepared by the Secretary in accordance with the National Environmental Policy Act of 1969 (42 U.S.C. 4331 et seq.) In preparing the record of decision or other decision document, the Secretary shall give substantial deference to the redevelopment plan concerned.

"(iv) The disposal under clause (i) of buildings and property to assist the homeless shall be without consideration.

"(v) In the case of a request for a conveyance under clause (i) of buildings and property for public benefit under section 203(k) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(k)) and subchapter II of chapter 471 of title 49, United States Code, the applicant and use proposed in the request shall be determined to be eligible for the public benefit conveyance under the eligibility criteria set forth in such section or such subchapter. The determination of such eligibility should be made before the redevelopment plan concerned under subparagraph (G) ".

(2) Subparagraph (L) of such section is amended by striking out clauses (iii) and (iv) and inserting in lieu thereof the following new clauses (iii) and (iv):

"(iii) Not later than 90 days after the date of the receipt of a revised plan for an installation under subparagraph (J), the Secretary of Housing and Urban Development shall—

"(I) notify the Secretary of Defense and the redevelopment authority concerned of the buildings and property at an installation under clause (i)(IV) that the Secretary of Housing and Urban Development determines are suitable for use to assist the homeless; and

"(II) notify the Secretary of Defense of the extent to which the revised plan meets the criteria set forth in subparagraph (H)(i).

"(iv)(I) Upon notice from the Secretary of Housing and Urban Development with respect to an installation under clause (iii), the Secretary of Defense shall, after consultation with the Secretary of Housing and Urban Development and redevelopment authority concerned, dispose of buildings and property at the installation.

"(II) For purposes of carrying out an environmental assessment of the closure or realignment of an installation, the Secretary shall treat the redevelopment plan for the installation (including the aspects of the plan providing for disposal to State or local governments, representatives of the homeless, and other interested parties) as part of the proposed Federal action for the installation.

"(III) The Secretary shall dispose of buildings and property under subclause (I) in accordance with the record of decision or other decision document prepared by the Secretary in accordance with the National Environmental Policy Act of 1969 (42 U.S.C. 4331 et seq.) In preparing the record of decision or other decision document, the Secretary shall give deference to the redevelopment plan concerned.

"(IV) The disposal under subclause (I) of buildings and property to assist the homeless shall be without consideration.

"(V) In the case of a request for a conveyance under clause (i) of buildings and property for public benefit under section 203(k) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(k)) and subchapter II of chapter 471 of title 49, United States Code, the applicant and use proposed in the request shall be determined to be eligible for the public benefit conveyance under the eligibility criteria set forth in such section or such subchapter. The determination of such eligibility should be made before the redevelopment plan concerned under subparagraph (G) ".

(f) CONFORMING AMENDMENT.—Subparagraph (M)(i) of such section is amended by inserting "or (L)" after "subparagraph (K)".

(g) CLARIFICATION OF PARTICIPANTS IN PROCESS.—Such section is further amended by adding at the end the following:

"(P) For purposes of this paragraph, the term 'other interested parties', in the case of an installation, includes any parties eligible for the conveyance of property of the installation under section 203(k) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(k)) or subchapter II of chapter 471 of title 49, United States Code, whether or not the parties assist the homeless.".

(h) TECHNICAL AMENDMENTS.—Section 2910 of such Act is amended—

(1) by designating the paragraph (10) added by section 2(b) of the Base Closure Community Redevelopment and Homeless Assistance Act of 1994 (Public Law 103-421; 108 Stat. 4352) as paragraph (11); and

(2) in such paragraph, as so designated, by striking out "section 501(h)(4) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411(h)(4))" and inserting in lieu

thereof "section 501(i)(4) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411(i)(4))".

SEC. 2826. EXERCISE OF AUTHORITY DELEGATED BY THE ADMINISTRATOR OF GENERAL SERVICES.

Section 2905(b)(2) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended—

(1) in subparagraph (A)—

(A) by striking out "Subject to subparagraph (C)" in the matter preceding clause (i) and inserting in lieu thereof "Subject to subparagraph (B)"; and

(B) by striking out "in effect on the date of the enactment of this Act" each place it appears in clauses (i) and (ii);

(2) by striking out subparagraphs (B) and (C) and inserting in lieu thereof the following new subparagraph (B):

"(B) The Secretary may, with the concurrence of the Administrator of General Services—

"(i) prescribe general policies and methods for utilizing excess property and disposing of surplus property pursuant to the authority delegated under paragraph (1); and

"(ii) issue regulations relating to such policies and methods which regulations supersede the regulations referred to in subparagraph (A) with respect to that authority."; and

(3) by redesignating subparagraphs (D) and (E) as subparagraphs (C) and (D), respectively.

SEC. 2827. LEASE BACK OF PROPERTY DISPOSED FROM INSTALLATIONS APPROVED FOR CLOSURE OR REALIGNMENT.

(a) AUTHORITY.—Section 2905(b)(4) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended—

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

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

"(C)(i) The Secretary may transfer real property at an installation approved for closure or realignment under this part (including property at an installation approved for realignment which property will be retained by the Department of Defense or another Federal agency after realignment) to the redevelopment authority for the installation if the redevelopment authority agrees to lease, directly upon transfer, all or a significant portion of the property transferred under this subparagraph to the Secretary or to the head of another department or agency of the Federal Government. Subparagraph (B) shall apply to a transfer under this subparagraph.

"(ii) A lease under clause (i) shall be for a term of not to exceed 50 years, but may provide for options for renewal or extension of the term by the department or agency concerned.

"(iii) A lease under clause (i) may not require rental payments by the United States.

"(iv) A lease under clause (i) shall include a provision specifying that if the department or agency concerned ceases requiring the use of the leased property before the expiration of the term of the lease, the remainder of the lease term may, upon approval by the redevelopment authority concerned, be satisfied by the same or another department or agency of the Federal Government using the property for a use similar to the use under the lease.".

(b) USE OF FUNDS TO IMPROVE LEASED PROPERTY.—Notwithstanding any other provision of law, a department or agency of the Federal Government that enters into a lease of property under section 2905(b)(4)(C) of such Act, as amended by subsection (a), may use funds appropriated or otherwise available to the department or agency for such purpose to improve the leased property.

SEC. 2828. PROCEEDS OF LEASES AT INSTALLATIONS APPROVED FOR CLOSURE OR REALIGNMENT.

(a) INTERIM LEASES.—Section 2667(d) of title 10, United States Code, is amended—

(1) in paragraph (1)(A)—

(A) by striking out "and" at the end of clause (i);

(B) by striking out the period at the end of clause (ii) and inserting in lieu thereof "; and"; and

(C) by adding at the end the following:

"(iii) money rentals referred to in paragraph (5).."; and

(2) by adding at the end the following:

"(5) Money rentals received by the United States under subsection (f) shall be deposited in the Department of Defense Base Closure Account 1990 established under section 2906(a) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note).".

(b) DEPOSIT IN 1990 ACCOUNT.—Section 2906(a)(2) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended—

(1) in subparagraph (C)—

(A) by striking out "transfer or disposal" and inserting in lieu thereof "transfer, lease, or other disposal"; and

(B) by striking out "and" at the end;

(2) in subparagraph (D)—

(A) by striking out "transfer or disposal" and inserting in lieu thereof "transfer, lease, or other disposal"; and

(B) by striking out the period at the end and inserting in lieu thereof "; and"; and

(3) by adding at the end the following:

"(E) money rentals received by the United States under section 2667(f) of title 10, United States Code.".

Mr. MCCAIN. Mr. President, the base realignment and closure process has been a necessary evil we have all had to endure in order to reduce military infrastructure to a size appropriate for our smaller, post-cold war military. While most of us have supported the spirit of this measure, few would insist that improvements to the process are unnecessary.

Earlier this year I offered S. 803 in hopes of dramatically streamlining the process and accelerating the economic recovery time of affected communities. I withdrew this amendment at the urging of the Department of Defense, in order to allow the Department time to complete and promulgate regulations they were in the process of designing to accomplish similar goals. I am pleased to say that their work had been fruitful.

The amendment we now offer seeks to address those issues that remain problematic; some for the Department of Defense and others for communities directly affected by base closures.

The most common complaints arising from communities participating in, and affected by, surplus military base disposal include: lack of equity for all parties participating in the process, and, extensive lapses of time between closure decision and ultimate reuse.

The latter of these two issues seems to be adequately addressed by the Department of Defense's new regulations, as we had hoped for. It appears that DOD's plan offers a realistic approach to the process that allows for flexibility where the process requires it and strict time-lines where they are appropriate. The former issue, equity among parties interested in reusing former military property, is dealt with in the amendment we now offer.

Through the first three rounds of base closure, be have witnessed how difficult it is to dispose of excess military real estate. While the BRAC process was not created to provide disproportionate benefits to specific groups of individuals, it became apparent quite early that this was in fact an unintended consequence.

Our amendment would put an end to these practices. This legislation levels the playing field by limiting opportunities to acquire property to those that exist by working with the recognized Local Redevelopment Authority.

We have the opportunity to alleviate many significant concerns held by communities that will undergo change as a result of the 1995 BRAC round. This amendment is simple. This amendment improves a process that is greatly in need of improvement. This amendment provides a desperately needed solution; we cannot fail to act.

Mrs. FEINSTEIN. Mr. President, I rise to support the amendment offered by the Senator from Arizona [Mr. MCCAIN] which would improve the base closure process by giving more control to the local community in reuse and redevelopment decisions. I am happy to be an original cosponsor of this amendment.

Last year I helped draft legislation that exempts military bases from the McKinney Homeless Assistance Act. This legislation, the Base Closure Community Redevelopment and Homeless Assistance Act of 1994, passed Congress and was signed into law by the President last October.

Under the new legislation, instead of being given the right of first refusal to base property, homeless assistance providers were given a seat at the reuse table with the local redevelopment authority. After a reuse plan is developed on the local level, the Secretary of Housing and Urban Development would review the plan to ensure that the needs of the homeless were met. After the HUD Secretary's approval, the Secretary of Defense would dispose of the buildings and property at the closing base.

While the new law is a substantial improvement over the old base closure and reuse law as well as the McKinney Act provisions, I think more should be done to empower communities, put base reuse decisions in the hands of

local officials, and remove a Federal mandate.

The McCain/Feinstein amendment amends the new law by requiring the Secretary of Defense to simply consult with the Secretary of HUD over the reuse plan that is development by the redeveloped authority; it removes HUD's veto power over the reuse plan.

Homeless assistance providers would still be guaranteed a seat at the reuse table, and redevelopment authorities would still be required to accept expressions of interest for base property by homeless assistance groups and other interested parties. In addition, the Secretary of HUD would still review the final reuse plan to ascertain if the needs of the homeless have been met, and have the ability to consult with the redevelopment authority.

However, instead of the Secretary of HUD approving or disapproving the reuse plan, the Secretary of Defense would make the final decision. The Secretary of Defense would simply consult with the Secretary of HUD before making any property disposal decisions. Furthermore, the local redevelopment plan—developed by the local community and local elected officials—would be given deference by the Secretary of Defense.

I believe this amendment would substantially improve last year's Base Closure Community Redevelopment and Homeless Assistance Act. Yet, this amendment does not go as far as the House of Representative's version of the Defense Authorization Act, which contains an amendment offered by Representatives BILBRAY and MOLINARI.

The Bilbray-Molinari amendment would completely repeal the Base Closure Community Redevelopment and Homeless Assistance Act and exempt all military bases from the McKinney Act.

In addition to disrupting the base reuse process, the Bilbray-Molinari amendment would prevent homeless assistance providers from acquiring base property at no cost—even when communities want to transfer property for homeless use—and would not guarantee that they have a seat at the reuse table.

The McCain-Feinstein amendment still guarantees that homeless assistance providers will have an opportunity to acquire base property, but it puts base reuse decisions in the hands of local officials who know what is best for their communities.

This amendment also contains some other provisions that will assist in the base closure and reuse process. These include:

Base realignments: This provision would make a technical amendment to the Base Closure Community Redevelopment and Homeless Assistance Act of 1994 by including base realignments, in addition to base closures. Current law requires the Secretary of Defense to dispose of base property in accordance with the sometimes outdated Federal Property and Administrative Services Act regulations. This provision allows the Secretary, in consultation with GSA, to prescribe general policies and methods for utilizing excess property and disposing of surplus property which are unique to base closure situations.

Lease back of base closure property: This provision would allow base closure property, that is still needed by the Department of Defense or another Federal agency, to be transferred to a local redevelopment authority provided that the LRA leases back the property to DOD or the Federal agency on favorable terms, that is: long term lease, nominal rent. This provision is needed to improve the planning and redevelopment of base closure property by providing local communities with certainty over the future use and availability of the property should the DOD or Federal occupant vacate.

Leasing proceeds: This provision would require that leasing proceeds for property at closing or realigning bases be deposited into the BRAC account, rather than a special Treasury account. This would treat leasing proceeds in the same fashion as sale proceeds from BRAC property. It would make additional funds available to base closure and environmental cleanup activities, thus speeding transfer of property to the local community and, thus, economic redevelopment of a closing base.

The McCain-Feinstein amendment makes various changes to existing law to improve the base closure and reuse process, and speed economic redevelopment of closing military bases. I urge my colleagues support of this amendment.

I ask unanimous consent that a letter from the U.S. Conference of Mayors in support of this amendment be placed in the RECORD.

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

THE UNITED STATES
CONFERENCE OF MAYORS,
Washington, DC, August 3, 1995.

Hon. DIANNE FEINSTEIN,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR FEINSTEIN: At our June 1995 meeting, The U.S. Conference of Mayors adopted the attached resolution on "A National Action Plan on Military Base Closings." I would draw your attention to item 6. This was adopted in response to the House passed Molinari amendment to the 1996 Defense Authorization Bill which would repeal the 1994 BRAC and Homeless Assistance Act.

The U.S. Conference of Mayors believes that local governments which do not desire transfer for homeless services should not be subject to HUD approval of their reuse plans. However, we support the ability of the federal government to transfer property under existing law provisions, at no cost to the local community or the homeless provider, if so desired by the local government.

As the mayor of a city with a naval facility on the 1991 BRAC closure list, I am concerned about the House amendment which would deny us the ability to implement the homeless provisions of our local reuse plan.

In Seattle, our adopted reuse plan has a substantial homeless component of which we are proud and anxious to implement, as it will greatly add to our services to assist homeless people in becoming self-sufficient. Without the property transfer positions nullified in the Molinari amendment, our critical homeless component is seriously jeopardized.

Therefore, I urge you to provide for local flexibility and control while not eliminating the homeless property transfer provisions for local governments desiring such transfer.

Sincerely,

NORMAN B. RICE,
Mayor of Seattle, President.

Mr. GLENN. Mr. President, we have agreed to accept the amendment by Senators MCCAIN and FEINSTEIN which aims to revise and improve the base closure and realignment process. This is certainly not the first time that we have tried to improve this process. In 1993, under President Clinton's leadership, we passed significant revisions to the BRAC process which were aimed to give local, impacted communities a greater say in their own future. Those provisions were aimed to help speed up the process by which communities can initiate economic development efforts to move forward. Again last year another effort was made to revise the BRAC property disposal process. This effort resulted in legislation which quickened the property disposal process, with particular regard to addressing the needs of the homeless.

While I believe that the amendment before us addresses some legitimate problems in the current BRAC process, for example it gives DOD the authority to utilize recent regulations promulgated by GSA, I am concerned about some particular areas. Overall, my greatest concern is that we have not given the existing process a chance to work. Only last month did DOD issue its regulations, developed after extensive interagency and public comment, which implement the 1993 and 1994 BRAC legislation I just mentioned. Communities are having a difficult enough time coping with the closure of their particular base without trying to determine which set of regulations, or which property disposal process, they need to operate under. Should this legislation result in another rewrite of the implementing regulation, it will translate directly into further delays for the communities.

I am also concerned about the leaseback provisions of this legislation. I am concerned that the Federal Government's interest be fully protected in the cases where it retains a presence at a closing base. I recognize the need for communities to have assurances that future Federal use of these facilities is compatible with their own reuse plan. However, we must protect all taxpayers' interest as well. With regard to

this provision as we proceed to conference with the House, I intend to seek the comments of the General Services Administration to ensure that appropriate controls are in place for future leasing.

Another concern is whether the Secretary of Housing and Urban Development has the necessary authority to provide their comments to the local redevelopment plan—and ensure that these comments are addressed. This provision is particularly important with regards to the concerns of the homeless.

Mr. President, as we proceed to conference, I look forward to obtaining additional comments of the relevant officials in the Department of Defense, the Department of Housing and Urban Development, as well as the General Services Administration regarding these provisions.

Mr. THURMOND. Mr. President, as a Member representing a State that is experiencing the realities of base closure, I welcome any effort to expedite the closure process and protect the redevelopment plan developed by the communities. This is a good step in that direction. It strengthens the Secretary of Defense's authority to review the base reuse plan and whether or not it has given appropriate consideration to the needs of the homeless or other interested party.

Mr. President, I especially support the provision of this amendment which allows the military departments to convey base closure property to local redevelopment authorities, if the property is still required by the department or another Federal agency, as long as the needed property will be leased back for a 50-year renewable lease at no cost. The change satisfies both the Department of Defense or other Federal need for available property, while at the same time providing the local community with certainty over future use of the property should the Federal agency leave. It also provides the local community with the ownership it often needs to redevelop the base to make needed infrastructure improvements. The permissive authority of this legislation is designed to be used infrequently and primarily for small parcels or individual buildings which are surrounded by property which will be conveyed to the local community.

Mr. President, this legislation will be of great benefit to Charleston, SC, and other communities throughout the Nation. I support the amendment and urge its adoption.

Mr. FORD. This has been cleared on both sides.

Mr. KEMPTHORNE. Yes, this has been cleared.

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

So the amendment (No. 2272) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2273

(Purpose: To improve the provision relating to restoration advisory boards)

Mr. FORD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. FORD], for Mr. KOHL, proposes an amendment numbered 2273.

Mr. FORD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 89, strike out lines 13 through 22 and insert in lieu thereof the following:

"(2) The commander of an installation may obtain technical assistance under paragraph (1) for a technical review committee or restoration advisory board only if—

"(A) the technical review committee or restoration advisory board demonstrates that the Federal, State, and local agencies responsible for overseeing environmental restoration at the installation, and available Department of Defense personnel, do not have the technical expertise necessary for achieving the objective for which the technical assistance is to be obtained;

"(B) the technical assistance is likely to contribute to the efficiency, effectiveness, or timeliness of environmental restoration activities at the installation; and

"(C) the technical assistance is likely to contribute to community acceptance of environmental restoration activities at the installation.".

On page 90, line 20, strike out "until" and insert in lieu thereof "after March 1, 1996, unless".

Mr. KOHL. Mr. President, my amendment seeks to improve the provisions relating to restoration advisory boards by helping them to acquire independent technical assistance. These boards are a crucial way of getting the community around a Defense Department cleanup site involved in the process. For these local groups to feel confident that the Department of Defense is adequately cleaning up these sites, they may need to rely on outside sources of information and analysis. Many times communities are unwilling to accept the Government's claim that they have done the job adequately, and want an external source to help them consider the data. The provisions in this amendment will make sure that they have access to the administrative and independent technical support they seek.

I ask unanimous consent that a letter I received from Gary Vest, Acting Deputy Under Secretary of Defense for Environmental Security be printed in the RECORD.

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

OFFICE OF THE
UNDER SECRETARY OF DEFENSE,
Washington, DC, August 3, 1995.

Hon. HERBERT KOHL,
U.S. Senate, Washington, DC.

DEAR SENATOR KOHL: The purpose of this letter is to respond to your July 27, 1995, letter to the Deputy Under Secretary of Defense (Environmental Security) concerning Section 323 of S. 1026, the FY 1996 Department of Defense Authorization Bill. Responses to the five questions in your letter are provided in the Enclosure.

Your continued support and commitment to community participation and the Defense Department's restoration advisory board effort is deeply appreciated. If you need additional information, my staff point of contact for this matter is Ms. Marcia Read at (703) 697-9793.

Sincerely,

GARY D. VEST,
Acting Deputy Under Secretary of Defense (Environmental Security).

Enclosure.

QUESTIONS OF SENATOR HERBERT KOHL CONCERNING SECTION 323 OF S. 1026

Question 1. Will the language in Section 323 in any way obstruct the creation or continued operation of any restoration advisory boards? Do you have any legal opinions on this question?

Answer 1. Our legal opinion is that Section 323 would cause the Department of Defense (DoD) to suspend operation of existing restoration advisory boards (RABs) until regulations are promulgated, as there would be no available funding source to meet RAB administrative expenses.

Question 2. Is the language consistent with the regulatory promulgation the Defense Department has initiated to provide technical assistance to RABs?

Answer 2. The Department has not yet promulgated any regulations to provide technical assistance to RABs. The Department did publish a notice in the Federal Register requesting public comments on various options for providing technical assistance funding to RABs. The closing date to submit written comments was July 24, 1995, and we are currently evaluating the comments we received. We will propose a draft regulation later this year.

Question 3. Would this language preclude any RAB from receiving technical assistance if the RAB wants to receive technical assistance independent of the installation commander or the environmental contractor providing services to the installation?

Answer 3. We believe that the precondition outlined in subsection (e)(2) would effectively eliminate independent technical assistance for RABs. It appears that installation commanders would be unable to make the requisite finding regarding the absence of technical expertise without undermining the credibility of the installation's own technical expertise. We understand the existing authority to provide technical assistance was intended to provide RAB members the means to procure independent, technical advice from a source outside of the Department, and that this authority was not predicated on a finding that the Department's technical experts were in any way deficient.

Question 4. Does the Defense Department support Section 323 as currently drafted?

Answer 4. The Department is reviewing Section 323 and is considering appealing the language.

Question 5. After taking into account administrative costs, would there be funds available for technical assistance for RABs under this provision?

Answer 5. It is difficult to estimate precisely how much of the $4 million would be strictly designated for technical assistance. However, with 200 RABs already in existence, $4 million may not be enough to meet even the administrative expenses that may be needed to effectively operate these RABs.

Mr. FORD. Mr. President, this clarifies language in the bill concerning environmental restoration advisory boards.

This has been cleared.

Mr. KEMPTHORNE. It has been cleared.

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

So the amendment (No. 2273) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2274

Mr. NUNN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Georgia [Mr. NUNN], for Mr. GLENN, proposes an amendment numbered 2274.

Mr. NUNN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 110, after line 19, insert the following:

SEC. 365. OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID PROGRAMS

(a) GAO REPORT.—Not later than December 15, 1995, the Comptroller General of the United States shall provide to the Congressional Defense Committees a report on—

(1) Existing funding mechanisms available to cover the costs associated with the Overseas Humanitarian, Disaster, and Civic Assistance activities through funds provided to the Department of State or the Agency for International Development, and

(2) if such mechanisms do not exist, actions necessary to institute such mechanisms, including any changes in existing law or regulations.

On page 70, in line 25, strike out "$20,000,000" and insert in lieu thereof "$60,000,000".

On page 70, after line 25, insert the following: The amount authorized to be appropriated by section 301(5) is hereby reduced by $40,000,000.

Mr. MCCAIN. Mr. President, I support this amendment to provide an additional $40 million for overseas humanitarian, disaster, and civic aid programs. Although I am concerned with any defense funds being earmarked for this non-defense mission, I note with approval that this is a significant reduction from the administration's requested level.

I further support the provision requiring the Comptroller General of the United States to report to the congressional defense committees any actions necessary to ensure that future funding for these activities is provided through the Department of State, the U.S. Agency for International Development or any successor agency. I think that it is important that the Federal Government provide funds for activities through appropriate sources. In this case, future international humanitarian and disaster assistance activities should be funded through those agencies which have primary responsibility for these operations. This amendment moves us toward this goal which will allow the American people better insight into how their tax dollars are spent.

I will continue to strive to eliminate nondefense spending from the DOD budget. I urge the administration to assist in these efforts by refraining from including such programs in the DOD budget request. The Department of Defense is a military organization and should dedicate its resources to those programs which make the greatest contribution to national security.

Mr. NUNN. Mr. President, I urge adoption of the amendment.

Mr. KEMPTHORNE. Mr. President, this amendment has been cleared.

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

So the amendment (No. 2274) was agreed to.

Mr. NUNN. I move to reconsider the vote.

Mr. KEMPTHORNE. I move to lay that on the table.

The motion to lay on the table was agreed to.

Mr. NUNN. I thank the Senator from Kentucky for handling these amendments while I was upstairs doing some negotiation with Senators COHEN, WARNER, LEVIN, and others on the ABM matter. We will continue that negotiation. We will be discussing with the leaders and our colleagues some of the concepts we talked about. We will talk more about that on Monday.

I thank the Senator from Kentucky.

AMENDMENT NO. 2275

(Purpose: To state the sense of the Senate on the Midway Islands)

Mr. KEMPTHORNE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho [Mr. KEMPTHORNE], for Mr. HELMS, proposes an amendment numbered 2275.

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 403, after line 16, add the following:

SEC. 1095. SENSE OF SENATE ON MIDWAY ISLANDS.

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

(1) September 2, 1995, marks the 50th anniversary of the United States victory over Japan in World War II.

(2) The Battle of Midway proved to be the turning point in the war in the Pacific, as United States Navy forces inflicted such severe losses on the Imperial Japanese Navy during the battle that the Imperial Japanese Navy never again took the offensive against United States or allied forces.

(3) During the Battle of Midway, an outnumbered force of the United States Navy, consisting of 29 ships and other units of the Armed Forces under the command of Admiral Nimitz and Admiral Spruance, out-maneuvered and out-fought 250 ships of the Imperial Japanese Navy.

(4) It is in the public interest to erect a memorial to the Battle of Midway that is suitable to express the enduring gratitude of the American people for victory in the battle and to inspire future generations of Americans with the heroism and sacrifice of the members of the Armed Forces who achieved that victory.

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

(1) the Midway Islands and the surrounding seas deserve to be memorialized;

(2) the historic structures related to the Battle of Midway should be maintained, in accordance with the National Historic Preservation Act, and subject to the availability of appropriations for that purpose.

(3) appropriate access to the Midway Islands by survivors of the Battle of Midway, their families, and other visitors should be provided in a manner that ensures the public health and safety on the Midway Islands and the conservation and natural resources of those islands in accordance with existing Federal law.

Mr. HELMS. Mr. President, historic victories such as Midway and Gettysburg and Yorktown and Normandy are remembered by memorializing the hallowed ground upon which American blood was shed. Historians rank the Battle of Midway as one of the most decisive naval battles of all time. The Midway Islands, and the surrounding seas where so many American lives were sacrificed, deserve to be memorialized as well, and that is what this amendment suggests.

Mr. President, victory at Midway was the turning point in the Pacific Theater. During the month of June 1942, a badly outnumbered American naval force, consisting of 29 ships and other units of the armed forces, under the overall command of Adm. Chester W. Nimitz, out-maneuvered and outfought 350 ships of the combined Japanese Imperial Fleet. The objectives of the Japanese high command were to occupy the Midway Islands and destroy the United States Pacific Fleet, but the forces under the command of Admiral Nimitz completely thwarted Japanese strategy.

The outcome of the conflict, Mr. President, was remarkable given the fact that U.S. forces were so badly outnumbered. The United States lost 163 aircraft compared to 286 Japanese aircraft. One American aircraft carrier, the U.S.S. *Yorktown*, and one Destroyer, the U.S.S. *Hamman*, were destroyed. On the other hand, the Japanese Imperial Navy lost five ships, four

of the ships being the Imperial Navy's main aircraft carriers. Almost as devastating was the loss of most of the experienced Japanese pilots. At the end of the day, 307 Americans had lost their lives. The Japanese navy lost 2,500 men.

The heroism of many of the American servicemen at Midway often required the ultimate sacrifice. Many of the Marine pilots, flying worn out and inferior planes, did not live to celebrate the victory at Midway. All but five torpedo-plane pilots who attacked the Japanese aircraft carrier task force—without protective air cover—were shot down. These pilots undoubtedly knew they were flying to an all but certain death.

So severe was the damage inflicted on the Imperial Japanese Navy by American airmen and sailors, that Japan never again was able to take the offensive against the United States or Allied forces, and the rest, as they say, is history.

Mr. President, victory over the Japanese achieved, of course, by men and women from all the U.S. Armed Forces. Certainly at Midway, elements of each of the services—Navy, Marines, and U.S. Army Air Corps—were heavily engaged, closely coordinated, and paid a high price for their bravery. The Midway Islands should be memorialized to honor the courageous efforts of all the services when they were called upon to defend our Nation and its interests.

The sacrifice and heroism of these men should never be forgotten—it is vital that our sons and daughters never forget what their fathers and grandfathers sacrificed for freedom. The Battle of Midway should be memorialized for all time, on the Midway Islands, on behalf of a grateful Nation.

Mr. KEMPTHORNE. This has been cleared.

Mr. NUNN. Mr. President, I urge adoption of the amendment.

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

So the amendment (No. 2275) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. KEMPTHORNE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 2276

(Purpose: To authorize the Secretary of the Navy to establish a crash attenuating seats acquisition program)

Mr. KEMPTHORNE. Mr. President, on behalf of Senators THURMOND, LOTT, and INHOFE, I offer an amendment to provide for crash attenuating seats in H-53E helicopters, a program which would make use of commercially developed seats to provide crash protection for passengers.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho [Mr. KEMPTHORNE] for Mr. THURMOND, Mr. LOTT, and Mr. INHOFE, proposes an amendment numbered 2276.

Mr. KEMPTHORNE. I ask unanimous consent further reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 30, after the matter following line 24, insert the following:

SEC. 125. CRASH ATTENUATING SEATS ACQUISITION PROGRAM.

(a) PROGRAM AUTHORIZED.—The Secretary of the Navy may establish a program to procure for, and install in, H-53E military transport helicopters commercially developed, energy absorbing, crash attenuating seats that the Secretary determines are consistent with military specifications for seats for such helicopters.

(b) FUNDING.—To the extent provided in appropriations Acts, of the unobligated balance of amounts appropriated for the Legacy Resource Management Program pursuant to the authorization of appropriations in section 301(5) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337; 108 Stat. 2706), not more than $10,000,000 shall be available to the Secretary of the Navy, by transfer to the appropriate accounts, for carrying out the program authorized in subsection (a).

Mr. KEMPTHORNE. I believe this has been cleared.

Mr. NUNN. I urge adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2276) was agreed to.

Mr. KEMPTHORNE. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2277

Mr. KEMPTHORNE. On behalf of Senator SMITH, I offer an amendment that would express the sense of the Senate that the Secretary of Navy should name the LHD-7 the U.S.S. *Iwo Jima*, and name the LPD-17 and all future ships of the LPD-17 class after famous Marine Corps battles of famous Marine Corps heroes.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho [Mr. KEMPTHORNE] for Mr. SMITH, proposes an amendment numbered 2277.

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate point in the bill, insert the following:

SEC. . NAMING AMPHIBIOUS SHIPS.

(a) FINDINGS.—The Senate finds that—

(1) This year is the fiftieth anniversary of the battle of Iwo Jima, one of the great victories in all of the Marine Corps' illustrious history.

(2) The Navy has recently retired the ship that honored that battle, the U.S.S. *Iwo Jima* (LPB-2), the first ship in a class of amphibious assault ships.

(3) This Act authorizes the LHD-7, the final ship of the *Wasp* class of amphibious assault ships that will replace the *Iwo Jima* class of ships.

(4) The Navy is planning to start building a new class of amphibious transport docks, now called the LPD-17 class. This Act also authorizes funds that will lead to procurement of these vessels.

(5) There has been some confusion in the rationale behind naming new naval vessels with traditional naming conventions frequently violated.

(6) Although there have been good and sufficient reasons to depart from naming conventions in the past, the rationale for such departures has not always been clear.

(b) SENSE OF THE SENATE.—In light of these findings, expressed in subsection (a), it is the sense of the Senate that the Secretary of the Navy should:

(1) Name the LHD-7 the U.S.S. *Iwo Jima*.

(2) Name the LPD-17 and all future ships of the LPD-17 class after famous Marine Corps battles or famous Marine Corps heros.

Mr. KEMPTHORNE. This amendment has been cleared.

Mr. NUNN. That is correct.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2277) was agreed to.

Mr. KEMPTHORNE. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2278

(Purpose: To strike the limitation on contracting with the same contractor for construction of additional new sealift ships)

Mr. KEMPTHORNE. On behalf of Senators LOTT, COHEN, JOHNSTON, and BREAUX, I offer an amendment by Senator LOTT that would strike the provision of the bill that would impose certain limitations on the Secretary of the Navy on contracting with the same contractor for construction of additional new sealift ships.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho [Mr. KEMPTHORNE] for Mr. LOTT, Mr. COHEN, Mr. JOHNSTON, and Mr. BREAUX, proposes an amendment numbered 2278.

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that further

reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 115, strike out line 4 and all that follows through page 116, line 13.

Mr. KEMPTHORNE. I believe this has been cleared.

Mr. NUNN. This has been cleared with this side. I urge adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2278) was agreed to.

Mr. KEMPTHORNE. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. NUNN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 2279

(Purpose: To revise section 1003, relating the Defense Modernization Account)

Mr. NUNN. Mr. President, on behalf of Senator GLENN, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Georgia [Mr. NUNN], for Mr. GLENN, proposes an amendment numbered 2279.

Mr. NUNN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

Beginning on page 321, strike out line 15 and all that follows through page 325, line 18, and insert in lieu thereof the following:

"(b) CREDITS TO ACCOUNT.—(1) Under regulations prescribed by the Secretary of Defense, and upon a determination by the Secretary concerned of the availability and source of excess funds as described in subparagraph (A) or (B), the Secretary may transfer to the Defense Modernization Account during any fiscal year—

"(A) any amount of unexpired funds available to the Secretary for procurements that, as a result of economies, efficiencies, and other savings achieved in the procurements, are excess to the funding requirements of the procurements; and

"(B) any amount of unexpired funds available to the Secretary for support of installations and facilities that, as a result of economies, efficiencies, and other savings, are excess to the funding requirements for support of installations and facilities.

"(2) Funds referred to in paragraph (1) may not be transferred to the Defense Modernization Account by a Secretary concerned if—

"(A) the funds are necessary for programs, projects, and activities that, as determined by the Secretary, have a higher priority than the purposes for which the funds would be available if transferred to that account; or

"(B) the balance of funds in the account, after transfer of funds to the account would exceed $1,000,000,000.

"(3) Amounts credited to the Defense Modernization Account shall remain available for transfer until the end of the third fiscal year that follows the fiscal year in which the amounts are credited to the account.

"(4) The period of availability of funds for expenditure provided for in sections 1551 and 1552 of title 31 shall not be extended by transfer into the Defense Modernization Account.

"(c) ATTRIBUTION OF FUNDS.—The funds transferred to the Defense Modernization Account by a military department, Defense Agency, or other element of the Department of Defense shall be available in accordance with subsections (f) and (g) only for that military department, Defense Agency, or element.

"(d) USE OF FUNDS.—Funds available from the Defense Modernization Account pursuant to subsection (f) or (g) may be used only for the following purposes:

"(1) For increasing, subject to subsection (e), the quantity of items and services procured under a procurement program in order to achieve a more efficient production or delivery rate.

"(2) For research, development, test and evaluation and procurement necessary for modernization of an existing system or of a system being procured under an ongoing procurement program.

"(e) LIMITATIONS.—(1) Funds from the Defense Modernization Account may not be used to increase the quantity of an item or services procured under a particular procurement program to the extent that doing so would—

"(A) result in procurement of a total quantity of items or services in excess of—

"(i) a specific limitation provided in law on the quantity of the items or services that may be procured; or

"(ii) the requirement for the items or services as approved by the Joint Requirements Oversight Council and reported to Congress by the Secretary of Defense; or

"(B) result in an obligation or expenditure of funds in excess of a specific limitation provided in law on the amount that may be obligated or expended, respectively, for the procurement program.

"(2) Funds from the Defense Modernization Account may not be used for a purpose or program for which Congress has not authorized appropriations.

"(3) Funds may not be transferred from the Defense Modernization Account in any year for the purpose of—

"(A) making any expenditure for which there is no corresponding obligation; or

"(B) making any expenditure that would satisfy an unliquidated or unrecorded obligation arising in a prior fiscal year.

"(f) TRANSFER OF FUNDS.—(1) Funds in the Defense Modernization Account may be transferred in any fiscal year to appropriations available for use for purposes set forth in subsection (d).

"(2) Before funds in the Defense Modernization Account are transferred under paragraph (1), the Secretary concerned shall transmit to the congressional defense committees a notification of the amount and purpose of the proposed transfer.

"(3) The total amount of the transfers from the Defense Modernization Account may not exceed $500,000,000 in any fiscal year.

"(g) AVAILABILITY OF FUNDS FOR APPROPRIATION.—Funds in the Defense Modernization Account may be appropriated for purposes set forth in subsection (d) to the extent provided in Acts authorizing appropriations for the Department of the Defense.

"(h) SECRETARY TO ACT THROUGH COMPTROLLER.—In exercising authority under this section, the Secretary of Defense shall act through the Under Secretary of Defense (Comptroller), who shall be authorized to implement this section through the issuance of any necessary regulations, policies, and procedures after consultation with the General Counsel and Inspector General of the Department of Defense.

"(i) QUARTERLY REPORT.—Not later than 15 days after the end of each calendar quarter, the Secretary of Defense shall submit to the appropriate committees of Congress a report setting forth the amount and source of each credit to the Defense Modernization Account during the quarter and the amount and purpose of each transfer from the account during the quarter.

"(j) DEFINITIONS.—In this section:

"(1) The term 'Secretary concerned' includes the Secretary of Defense.

"(2) The term 'unexpired funds' means funds appropriated for a definite period that remain available for obligation.

"(3) The term 'congressional defense committees' means—

"(A) the Committees on Armed Services and Appropriations of the Senate; and

"(B) the Committees on National Security and Appropriations of the House of Representatives.

"(4) The term 'appropriate committees of Congress' means—

"(A) the congressional defense committees;

"(B) the Committee on Governmental Affairs of the Senate; and

"(C) the Committee on Government Reform and Oversight of the House of Representatives.

"(k) INAPPLICABILITY TO COAST GUARD.—This section does not apply to the Coast Guard when it is not operating as a service in the Navy.".

(2) The table of sections at the beginning of chapter 131 of such title is amended by adding at the end the following:

"2221. Defense Modernization Account.".

(b) EFFECTIVE DATE.—Section 2221 of title 10, United States Code (as added by subsection (a)), shall take effect on October 1, 1995, and shall apply only to funds appropriated for fiscal years beginning on or after that date.

(c) EXPIRATION OF AUTHORITY AND ACCOUNT.—(1) The authority under section 2221(b) of title 10, United States Code (as added by subsection (a)), to transfer funds into the Defense Modernization Account shall terminate on October 1, 2003.

(2) Three years after the termination of transfer authority under paragraph (1), the Defense Modernization Account shall be closed and the remaining balance in the account shall be canceled and thereafter shall not be available for any purpose.

(3)(A) The Comptroller General of the United States shall conduct two reviews of the administration of the Defense Modernization Account. In each review, the Comptroller General shall assess the operations and benefits of the account.

(B) Not later than March 1, 2000, the Comptroller General shall—

(i) complete the first review; and

(ii) submit to the appropriate committees of Congress an initial report on the administration and benefits of the Defense Modernization Account.

(C) Not later than March 1, 2003, the Comptroller General shall—

(i) complete the second review; and

(ii) submit to the appropriate committees of Congress a final report on the administration and benefits of the Defense Modernization Account.

(D) Each report shall include any recommended legislation regarding the account that the Comptroller General considers appropriate.

(E) In this paragraph, the term "appropriate committees of Congress" has the meaning given such term in section 2221(j)(4) of title 10, United States Code, as added by subsection (a).

Mr. NUNN. Mr. President, in the bill there is a provision, which I authored and the committee accepted, which would establish a defense modernization account for, really, the first time in my knowledge. That says to the various departments of the military—Army, Navy, Air Force, Marine Corps—that they can have a defense modernization account for any savings, including money they might otherwise feel compelled to spend at the end of the year to make sure they had fulfilled their budget expectations. That is where a lot of waste goes on in budgeting, and in the Government, is the urge and incentive we inadvertently create in Government to have all Government agencies, not just the Army, Navy, Air Force, and Marine Corps, to spend money at the end of the year so they look like they needed all the money they originally budgeted.

Much waste comes from that. So the provision in the bill I offered will establish a defense modernization account and say to each one of the services that they will be able to take any savings that they are able to accumulate during the year and put it in this modernization account. They will be able to use it, subject to the approval of the Congress. It has to come back through the Congress, either through direct appropriation or through an approval process that we go through here. It has to come back. But subject to that, this money will be able to be used where we need it most and that is in long-term modernization.

Senator GLENN has been for this proposal, but he had some concerns about it. This amendment would modify the defense modernization account to limit the total balance of the account, to limit the number of years the funds may remain in the account, to provide for additional oversight, and to sunset the account.

I agree to all of these proposed changes and I urge the adoption of the amendment.

Mr. KEMPTHORNE. Mr. President, this amendment has been cleared with our side.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 2279) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. NUNN. On this amendment I thank Senator GLENN, Senator GRASSLEY, and Senator ROTH. They were very helpful in developing these amendments and they will be having statements on this amendment on Monday.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, I understand that concludes the action, is that correct, tonight? It concludes action on the amendments that have been cleared. We cleared about 25 amendments. We appreciate that very much. We hope to return to the DOD authorization bill on Monday. I know there are some negotiations going on with reference to a couple of areas.

If that is negotiated successfully, we hope to be back on the DOD bill late Monday afternoon, and wrap it up. I think in a couple of hours we can complete action on this bill. I know there are a few amendments out there that might require rollcall votes. If we reach the negotiation agreement, there could be at least one amendment that will require a vote, plus the others we did not complete last night. But I understand there will be very few amendments that we would have to deal with.

So, hopefully we can complete action on the DOD authorization bill on Monday. It is a very important bill. It takes a long time. Last year I think it was 6 days. It always takes a great deal of time because it is so involved and so complex. It involves the defense of our Nation, so it deserves a great deal of consideration and debate.

I thank the managers.

Mr. SMITH. Mr. President, yesterday during consideration of S. 1026, a statement by Senator ROTH was inadvertently left out of the statements that were made at the time Senator COHEN introduced his amendment entitled the Information Technology Management Reform Act of 1995. Mr. President, I ask unanimous consent that Senator ROTH's statement be printed in today's RECORD and that it be printed in the permanent RECORD for Friday, August 4, 1995, immediately following Senator COHEN's statement on the information technology amendment.

The PRESIDING OFFICER. Without objection it is so ordered.

INFORMATION TECHNOLOGY MANAGEMENT REFORM ACT OF 1995

• Mr. ROTH. Mr. President, the amendment just introduced by Senator COHEN, myself and others will make a big step toward reforming the way the Government buys and uses information technology. The Federal Government will spend $27 billion this year on information technology, and the GAO has reported to me that much of it will be wasted unless significant reforms are made. I want to congratulate Senator COHEN for his leadership in investigating the problems in the Government's acquisition of information technology. I also want to recognize Senator COHEN for the clarity of his vision and for his cooperation in working with me to develop this important amendment.

Mr. President, there is no disagreement about the compelling need for reform in this area. The heart of this issue is that the Federal Government is not using computers to fix its outdated management practices. In January, the GAO reported to me that Federal managers do not have the essential information needed to do their jobs, despite spending more than $200 billion over the last 12 years on computers. The problem is that far too often, agencies buy computers just to have one on each person's desk. The agencies buy computers like a junk food junkie buys bacon double cheese burgers and candy bars. There's lots of fat and sugar, but little healthy substance.

There is a more subtle issue here that needs to be highlighted. Modern organizations and management processes are required before computers can yield meaningful cost savings and capability improvements. If Government does not make the necessary structural and process changes, then the $27 billion in spending on computers will be for naught. All we will have achieved is inserting 1990's technology into a 1950's organization. We will have several hundred billion dollars of new computers but no corresponding increase in capability.

Mr. President, instead of helping to solve problems, the Government process for buying and managing computer technology has become the problem. Its reliance on a tangle of redtape and bureaucracy strangles every effort to streamline and modernize Government operations. We must shift the bureaucracy from reliance on overburdened procedures and reports that no one reads; we must focus on results.

Numerous reports have documented this fact. GAO, the General Services Administration, the Office of Management and Budget and others have all found that these computer buys are poorly planned, take far too long, cost too much money and all too often produce systems that simply don't work. Once delivered, these systems are managed using practices equally ineffective.

Mr. President, GAO reported to me last January that developments in reengineering and modern technology offer huge opportunities to reduce costs and improve services. Yet, the Federal sector has largely failed to seize upon the moment. For example, GAO has found that a veteran has to wait an average of 151 days, nearly 4 months, to get paid by the Veteran's Administration for an original compensation claim. After committing

nearly $700 million for computers and equipment to fix this problem, the waiting time actually increased! It seems the agency failed to set performance goals for its new equipment and did not consider whether or not its claims process could be improved before being automated. By October 1994, claims processing time had gone up to 228 days. This is unbelievable and unconscionable!

In a separate report provided to me just this past Monday, GAO advises that eleven federal agencies have problems with information management or systems development that are serious enough to be listed as high risk programs. GAO explained that "[t]he major reason for these problems has been the lack of a sound process for selecting which IT initiatives to fund and for overseeing their development." It is precisely because of the great significance of this issue that I joined in developing this amendment.

Mr. President, this amendment strikes at the heart of these problems by repealing the so-called Brooks Act which has controlled the way government buys and manages information technology for the last 30 years. The Brooks Act never worked as it was intended. Its reliance upon the submission of reams of paperwork through layers of bureaucracy has not worked in the past. And, its tight bureaucratic controls are clearly not relevant to today, with information technology advancing exponentially in a highly competitive market.

Our amendment re-engineers this process, replacing red tape with a reliance on thorough, up-front investment planning and hands-on management practices which focus on bottom line results. The new process is modeled on the best practices used by America's most successful businesses. That model requires Government managers to focus like a laser on anticipating difficulties and then fixing them before they become problems. The amendment enables government agencies to accomplish these goals without additional paperwork or bureaucracy. Yet, this new process preserves the advantages and safeguards embodied in the Competition in Contracting Act.

Nevertheless, Mr. President, I have four major concerns that must be more fully addressed than the current amendment will permit. First, the amendment may be interpreted as consolidating bid protests affecting information technology along with those from all other procurement. I am not satisfied that the case for such dramatic change has been made. There is much debate about this kind of consolidation and several alternative approaches have been proposed. I intend to fully consider each of these and will keep an open mind during the next 2 months, as I work on a comprehensive procurement reform bill.

Second, the current amendment does not address the excessive layers of bureaucracy in the Federal buying system which hang like a dead weight around the necks of Government program managers. This is a Governmentwide problem not unique to information technology and not addressed by this amendment.

Third, I believe that we must do a better job of educating and training the entire acquisition workforce—not just those involved in information technology. I do not agree with those in the administration who believe that we can fix acquisition horror stories with an interagency review team. It is no replacement for well trained program managers, who have the skills and experience to prevent horror stories from occurring in the first place.

Lastly, I am convinced that we must move boldly to dismantle the existing network of perverse personnel incentives which strangle the entrepreneurial spirit of Government program managers. We must move to paying people for good performance, rather than for growing the size of their program.

Mr. President, while the current amendment highlights important issues of good management in Government, we know that most of these problems are not unique to information technology. They beg a broader solution. Happily, last year's acquisition reform bill established the framework for solving these matters. This framework simply needs to be strengthened. To achieve that purpose, Mr. President, the Governmental Affairs Committee, in cooperation with the Armed Services and Small Business Committees, has reassembled the bi-partisan staff-level working group which produced last year's round of substantive acquisition reform. Our group has been charged with reviewing the entire spectrum of Government acquisition. We are assessing all acquisition reform legislation currently pending and have received input from many other sources. The end result of our efforts will be a broadly-gauged new bill which calls for major Governmentwide acquisition reform. We plan to move that bill forward in the fall with the intent of enacting a Governmentwide comprehensive acquisition reform bill in the next several months.●

SCHEDULE

Mr. DOLE. I also say, with reference to the schedule next week, in a moment I will introduce the Work Opportunity Act of 1995. That debate will begin in earnest on Monday morning, at 10:30 a.m. From 9 to 10:30 there will be a period of morning business. But at 10:30 a.m. we will start serious debate on the Work Opportunity Act of 1995. I assume there will be a number of opening statements. Amendments can be offered. Votes can be expected on Monday. I do not know how long the opening statements will take. Of course, if we are able to go back to the DOD authorization bill we would have votes on that on Monday.

So I urge my colleagues to stay in close contact with their offices. I assume there will not be any votes prior to—4:30, 5 o'clock will be my best guess. It will be my hope we can complete the welfare reform measure, the Work Opportunity Act, next week. That is, Monday, Tuesday, Wednesday, Thursday, Friday. There will not be a Saturday session next Saturday.

I guess, if necessary, if we were near completion, we will come back then on the following Monday and try to complete action on the Work Opportunity Act of 1995. I have had a discussion with the distinguished Democratic leader, Senator DASCHLE. I have indicated to him that is our hope.

Also, there are a couple of appropriations bills we would like to, in our spare time, resolve next week. One is the Interior appropriations, which can be done in a matter of hours. And the other is the DOD appropriation bill, which will not be taken up until we complete action on the DOD authorization bill. That is a very, very big money bill. That might take as much as a day.

Now, obviously, I do not believe we can do all of those things next week. I hope to be in a position on Monday or Tuesday to advise my colleagues what to expect for the remainder of next week and the following week.

COMMENDATION OF JILL MAYCUMBER

Mr. DOLE. Mr. President, I rise to thank Jill Maycumber who is departing my staff after nearly 5 years of outstanding service to me, to the Senate, and to Kansas.

Like many Senate staff, Jill began her Senate career as an intern in my office. She quickly proved herself and became a key member of my staff.

For a time, Jill served as our receptionist—no doubt about it, the toughest job in Washington. But her outstanding people skills and deep desire to help Kansans made Jill the right choice to head my regional office in southeast Kansas.

When the massive floods struck the midwest in 1993, Jill Maycumber tirelessly crisscrossed the State, inspecting damage, and coordinating Federal assistance to flood victims. Hundreds of Kansans who have needed a helping hand knew who to call. They have Jill Maycumber to thank.

Earlier this year, Jill returned to Washington to help run my Senate office—not an easy task as my colleagues can attest. But most importantly, Jill took the extra time to greet thousands of constituents, always making sure that their visit to Washington and to my office was a special event.

I ask my colleagues to join me in thanking Jill Maycumber for her outstanding service to the Senate and to

Kansas. Jill can be very proud of what she has accomplished—she has truly made a difference.

I extend my heartfelt thank you and best wishes to Jill in her new career.

FAMILY SELF-SUFFICIENCY ACT

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Calendar 125, H.R. 4, the welfare bill.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 4) to restore the American family, reduce illegitimacy, control welfare spending and reduce welfare dependence.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Finance, with an amendment to the title and an amendment to strike out all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE; REFERENCE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Family Self-Sufficiency Act of 1995".

(b) REFERENCE TO SOCIAL SECURITY ACT.—Except as otherwise specifically provided, wherever in this Act an amendment 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 that section or other provision of the Social Security Act.

(c) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; reference; table of contents.

TITLE I—BLOCK GRANTS FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

Sec. 101. Block grants to States.
Sec. 102. Report on data processing.
Sec. 103. Continued application of current standards under medicaid program.
Sec. 104. Waivers.
Sec. 105. Deemed income requirement for Federal and federally funded programs under the Social Security Act.
Sec. 106. Conforming amendments to the Social Security Act.
Sec. 107. Conforming amendments to the Food Stamp Act of 1977 and related provisions.
Sec. 108. Conforming amendments to other laws.
Sec. 109. Secretarial submission of legislative proposal for technical and conforming amendments.
Sec. 110. Effective date; transition rule.

TITLE II—MODIFICATIONS TO THE JOBS PROGRAM

Sec. 201. Modifications to the JOBS program.
Sec. 202. Effective date.

TITLE III—SUPPLEMENTAL SECURITY INCOME

Subtitle A—Eligibility Restrictions

Sec. 301. Denial of supplemental security income benefits by reason of disability to drug addicts and alcoholics.
Sec. 302. Limited eligibility of noncitizens for SSI benefits.
Sec. 303. Denial of SSI benefits for 10 years to individuals found to have fraudulently misrepresented residence in order to obtain benefits simultaneously in 2 or more States.
Sec. 304. Denial of SSI benefits for fugitive felons and probation and parole violators.
Sec. 305. Effective dates; application to current recipients.

Subtitle B—Benefits for Disabled Children

Sec. 311. Restrictions on eligibility for benefits.
Sec. 312. Continuing disability reviews.
Sec. 313. Treatment requirements for disabled individuals under the age of 18.

Subtitle C—Study of Disability Determination Process

Sec. 321. Study of disability determination process.

Subtitle D—National Commission on the Future of Disability

Sec. 331. Establishment.
Sec. 332. Duties of the Commission.
Sec. 333. Membership.
Sec. 334. Staff and support services.
Sec. 335. Powers of Commission.
Sec. 336. Reports.
Sec. 337. Termination.

TITLE IV—CHILD SUPPORT

Subtitle A—Eligibility for Services; Distribution of Payments

Sec. 401. State obligation to provide child support enforcement services.
Sec. 402. Distribution of child support collections.
Sec. 403. Rights to notification and hearings.
Sec. 404. Privacy safeguards.

Subtitle B—Locate and Case Tracking

Sec. 411. State case registry.
Sec. 412. Collection and disbursement of support payments.
Sec. 413. State directory of new hires.
Sec. 414. Amendments concerning income withholding.
Sec. 415. Locator information from interstate networks.
Sec. 416. Expansion of the Federal parent locator service.
Sec. 417. Collection and use of social security numbers for use in child support enforcement.

Subtitle C—Streamlining and Uniformity of Procedures

Sec. 421. Adoption of uniform State laws.
Sec. 422. Improvements to full faith and credit for child support orders.
Sec. 423. Administrative enforcement in interstate cases.
Sec. 424. Use of forms in interstate enforcement.
Sec. 425. State laws providing expedited procedures.

Subtitle D—Paternity Establishment

Sec. 431. State laws concerning paternity establishment.
Sec. 432. Outreach for voluntary paternity establishment.
Sec. 433. Cooperation by applicants for and recipients of temporary family assistance.

Subtitle E—Program Administration and Funding

Sec. 441. Federal matching payments.
Sec. 442. Performance-based incentives and penalties.
Sec. 443. Federal and State reviews and audits.
Sec. 444. Required reporting procedures.
Sec. 445. Automated data processing requirements.
Sec. 446. Technical assistance.
Sec. 447. Reports and data collection by the Secretary.

Subtitle F—Establishment and Modification of Support Orders

Sec. 451. National Child Support Guidelines Commission.
Sec. 452. Simplified process for review and adjustment of child support orders.
Sec. 453. Furnishing consumer reports for certain purposes relating to child support.
Sec. 454. Nonliability for depository institutions providing financial records to State child support enforcement agencies in child support cases.

Subtitle G—Enforcement of Support Orders

Sec. 461. Federal income tax refund offset.
Sec. 462. Internal Revenue Service collection of arrearages.
Sec. 463. Authority to collect support from Federal employees.
Sec. 464. Enforcement of child support obligations of members of the Armed Forces.
Sec. 465. Voiding of fraudulent transfers.
Sec. 466. Work requirement for persons owing child support.
Sec. 467. Definition of support order.
Sec. 468. Reporting arrearages to credit bureaus.
Sec. 469. Liens.
Sec. 470. State law authorizing suspension of licenses.
Sec. 471. Denial of passports for nonpayment of child support.

Subtitle H—Medical Support

Sec. 475. Technical correction to ERISA definition of medical child support order.
Sec. 476. Enforcement of orders for health care coverage.

Subtitle I—Enhancing Responsibility and Opportunity for Nonresidential Parents

Sec. 481. Grants to States for access and visitation programs.

Subtitle J—Effect of Enactment

Sec. 491. Effective dates.

TITLE I—BLOCK GRANTS FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

SEC. 101. BLOCK GRANTS TO STATES.

Part A of title IV (42 U.S.C. 601 et seq.) is amended to read as follows:

"PART A—BLOCK GRANTS TO STATES FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES WITH MINOR CHILDREN

"SEC. 401. PURPOSE.

"The purpose of this part is to increase the flexibility of States in operating a program designed to—

"(1) provide assistance to needy families with minor children;

"(2) provide job preparation and opportunities for such families; and

"(3) prevent and reduce the incidence of out-of-wedlock pregnancies.

"SEC. 402. ELIGIBLE STATES; STATE PLAN.

"(a) IN GENERAL.—As used in this part, the term 'eligible State' means, with respect to a fiscal year, a State that has submitted to the Secretary a plan that includes the following:

"(1) OUTLINE OF FAMILY ASSISTANCE PROGRAM.—A written document that outlines how the State intends to do the following:

"(A) Conduct a program designed to serve all political subdivisions in the State to—

"(i) provide assistance to needy families with not less than 1 minor child; and

"(ii) provide a parent or caretaker in such families with work experience, assistance in finding employment, and other work preparation activities and support services that the State considers appropriate to enable such families to leave the program and become self-sufficient.

"(B) Require a parent or caretaker receiving assistance under the program for more than 24 months (whether or not consecutive), or at the option of the State, a lesser period, to engage in work activities in accordance with section 404 and part F.

"(C) Satisfy the minimum participation rates specified in section 404.

"(D) Treat—

"(i) families with minor children moving into the State from another State; and

"(ii) noncitizens of the United States.

"(E) Safeguard and restrict the use and disclosure of information about individuals and families receiving assistance under the program.

"(F) Take action to prevent and reduce the incidence of out-of-wedlock pregnancies, with special emphasis on teenage pregnancies.

"(2) CERTIFICATION THAT THE STATE WILL OPERATE A CHILD SUPPORT ENFORCEMENT PROGRAM.—A certification by the chief executive officer of the State that, during the fiscal year, the State will operate a child support enforcement program under the State plan approved under part D, in a manner that complies with the requirements of such part.

"(3) CERTIFICATION THAT THE STATE WILL OPERATE A CHILD PROTECTION PROGRAM.—A certification by the chief executive officer of the State that, during the fiscal year, the State will operate a child protection program in accordance with part B.

"(4) CERTIFICATION THAT THE STATE WILL OPERATE A FOSTER CARE AND ADOPTION ASSISTANCE PROGRAM.—A certification by the chief executive officer of the State that, during the fiscal year, the State will operate a foster care and adoption assistance program in accordance with part E.

"(5) CERTIFICATION THAT THE STATE WILL OPERATE A JOBS PROGRAM.—A certification by the chief executive officer of the State that, during the fiscal year, the State will operate a JOBS program in accordance with part F.

"(6) CERTIFICATION THAT THE STATE WILL PARTICIPATE IN THE INCOME AND ELIGIBILITY VERIFICATION SYSTEM.—A certification by the chief executive officer of the State that, during the fiscal year, the State will participate in the income and eligibility verification system required by section 1137.

"(7) CERTIFICATION OF THE ADMINISTRATION OF THE PROGRAM.—The chief executive officer of the State shall certify which State agency or agencies are responsible for the administration and supervision of the State program for the fiscal year.

"(8) CERTIFICATION THAT REQUIRED REPORTS WILL BE SUBMITTED.—A certification by the chief executive officer of the State that the State shall provide the Secretary with any reports required under this part and part F.

"(9) ESTIMATE OF FISCAL YEAR STATE AND LOCAL EXPENDITURES.—An estimate of the total amount of State and local expenditures under the State program for the fiscal year.

"(b) DETERMINATIONS.—The Secretary shall determine whether a plan submitted pursuant to subsection (a) contains the material required by subsection (a).

"(c) DEFINITIONS.—For purposes of this part, the following definitions shall apply:

"(1) MINOR CHILD.—The term 'minor child' means an individual—

"(A) who—

"(i) has not attained 18 years of age; or

"(ii) has—

"(I) not attained 19 years of age; and

"(II) is a full-time student in a secondary school (or in the equivalent level of vocational or technical training); and

"(B) who resides with such individual's custodial parent or other caretaker relative.

"(2) WORK ACTIVITY.—The term 'work activity' means an activity described in section 482.

"(3) FISCAL YEAR.—The term 'fiscal year' means any 12-month period ending on September 30 of a calendar year.

"(4) STATE.—The term 'State' includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, and American Samoa.

"SEC. 403. PAYMENTS TO STATES.

"(a) ENTITLEMENT.—

"(1) IN GENERAL.—Subject to the provisions of section 406, the Secretary shall pay to each eligible State for each of fiscal years 1996, 1997, 1998, 1999, and 2000 a grant in an amount equal to the State family assistance grant for the fiscal year.

"(2) APPROPRIATION.—

"(A) STATES.—There are authorized to be appropriated and there are appropriated $16,779,000,000 for each fiscal year described in paragraph (1) for the purpose of paying State family assistance grants to States under such paragraph.

"(B) INDIAN TRIBES.—There are authorized to be appropriated and there are appropriated $7,638,474 for each fiscal year described in paragraph (1) for the purpose of paying State family assistance grants to Indian tribes under such paragraph in accordance with section 482(i).

"(b) STATE FAMILY ASSISTANCE GRANT.—

"(1) IN GENERAL.—For purposes of subsection (a), a State family assistance grant for any State for a fiscal year is an amount equal to the total amount of the Federal payments to the State under section 403 for fiscal year 1994 (as such section was in effect before October 1, 1995).

"(2) STATE APPROPRIATION OF GRANT.—Notwithstanding any other provision of law, any funds received by a State under this part shall be expended only in accordance with the laws and procedures applicable to expenditures of the State's own revenues, including appropriation by the State legislature, consistent with the terms and conditions required under this part.

"(3) SPECIAL RULE FOR INDIAN TRIBES.—For amount of a State family assistance grant for a fiscal year for an Indian tribe, see section 482(i).

"(c) USE OF GRANT.—

"(1) IN GENERAL.—Subject to this part, a State to which a grant is made under this section may use the grant in any manner that is reasonably calculated to accomplish the purpose of this part.

"(2) AUTHORITY TO TREAT INTERSTATE IMMIGRANTS UNDER RULES OF FORMER STATE.—A State to which a grant is made under this section may apply to a family the rules of the program operated under this part of another State if the family has moved to the State from the other State and has resided in the State for less than 12 months.

"(3) AUTHORITY TO RESERVE CERTAIN AMOUNTS FOR ASSISTANCE.—A State may reserve amounts paid to the State under this part for any fiscal year for the purpose of providing, without fiscal year limitation, assistance under the State program operated under this part.

"(4) AUTHORITY TO PROVIDE CHILD CARE AND TRANSITIONAL SERVICES.—A State to which a grant is made under this section may provide, at the State's option, child care and transitional services to—

"(A) families at risk of becoming eligible for assistance under the program if child care is not provided; and

"(B) families that cease to receive assistance under the program because of employment.

"(d) TIMING OF PAYMENTS.—The Secretary shall pay each grant payable to a State under this section in quarterly installments.

"(e) LIMITATION ON FEDERAL AUTHORITY.—The Secretary may not regulate the conduct of States under this part or enforce any provision of this part, except to the extent expressly provided in this part.

"(f) SUPPLEMENTAL ASSISTANCE FOR NEEDY FAMILIES FEDERAL LOAN FUND.—

"(1) ESTABLISHMENT.—There is hereby established in the Treasury of the United States a revolving loan fund which shall be known as the 'Supplemental Assistance for Needy Families Federal Loan Fund'.

"(2) DEPOSITS INTO FUND.—

"(A) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, $1,700,000,000 are hereby appropriated for fiscal year 1996 for payment to the Supplemental Assistance for Needy Families Federal Loan Fund.

"(B) LOAN REPAYMENTS.—The Secretary shall deposit into the fund any principal or interest payment received with respect to a loan made under this subsection.

"(3) AVAILABILITY.—Amounts in the fund are authorized to remain available without fiscal year limitation for the purpose of making loans and receiving payments of principal and interest on such loans, in accordance with this subsection.

"(4) USE OF FUND.—

"(A) LOANS TO STATES.—The Secretary shall make loans from the fund to any loan-eligible State, as defined in subparagraph (D), for a period to maturity of not more than 3 years.

"(B) RATE OF INTEREST.—The Secretary shall charge and collect interest on any loan made under subparagraph (A) at a rate equal to the Federal short term rate, as defined in section 1274(d) of the Internal Revenue Code of 1986.

"(C) MAXIMUM LOAN.—The cumulative amount of any loans made to a State under subparagraph (A) during fiscal years 1996 through 2000 shall not exceed 10 percent of the State family assistance grant under subsection (b) for a fiscal year.

"(D) LOAN-ELIGIBLE STATE.—For purposes of subparagraph (A), a loan-eligible State is a State which has not had a penalty described in section 406 imposed against it at any time prior to the loan being made.

"(5) LIMITATION ON USE OF LOAN.—A State shall use a loan received under this subsection only for—

"(A) the purpose of providing assistance under the State program funded under this part; or

"(B) welfare anti-fraud activities, systems, or initiatives, including positive client identity verification and computerized data record matching and analysis.

"SEC. 404. MANDATORY WORK REQUIREMENTS.

"(a) PARTICIPATION RATE REQUIREMENTS.—

"(1) REQUIREMENT APPLICABLE TO ALL FAMILIES RECEIVING ASSISTANCE.—

"(A) IN GENERAL.—A State to which a grant is made under section 403 for a fiscal year shall achieve the minimum participation rate specified in the following table for the fiscal year with respect to all families receiving assistance under the State program funded under this part:

"If the fiscal year is:	The minimum participation rate is:
1996	20
1997	30
1998	35
1999	40
2000	45
2001 or thereafter	50.

"(B) STATE OPTION FOR PARTICIPATION REQUIREMENT EXEMPTIONS.—For any fiscal year before fiscal year 1999, a State may opt to not require an individual described in section 402(a)(19)(C) (as such section was in effect on September 30, 1995) to engage in work activities and may exclude such individuals from the determination of the minimum participation rate

specified for such fiscal year in subparagraph (A).

"(C) CHILD CARE FOR INDIVIDUALS WITH CHILDREN UNDER 6 YEARS OF AGE.—If a State requires an individual described in section 402(a)(19)(C)(iii)(II) (as such section was in effect on September 30, 1995) to engage in work activities, the State shall provide the individual with child care.

"(D) PARTICIPATION RATE.—For purposes of this paragraph:

"(i) AVERAGE MONTHLY RATE.—The participation rate of a State for a fiscal year is the average of the participation rates of the State for each month in the fiscal year.

"(ii) MONTHLY PARTICIPATION RATES.—The participation rate of a State for a month, expressed as a percentage, is—

"(I) the number of families receiving assistance under the State program funded under this part which include an individual who is engaged in work activities for the month; divided by

"(II) the total number of families receiving assistance under the State program funded under this part during the month.

"(iii) ENGAGED.—A recipient is engaged in work activities for a month in a fiscal year if the recipient is participating, per the State's requirement which must be at least 20 hours each week in the month, in work activities described in clause (i), (ii), (vi), (vii), (viii), (ix), or (x) of section 482(d)(1)(A), (or, in the case of the first 4 weeks for which the recipient is required under this section to participate in work activities, an activity described in any such clause or in clause (iii), (iv), or (v) of such section).

"(2) REQUIREMENT APPLICABLE TO 2-PARENT FAMILIES.—

"(A) IN GENERAL.—A State to which a grant is made under section 403 for a fiscal year shall achieve the minimum participation rate specified in the following table for the fiscal year with respect to 2-parent families receiving assistance under the State program funded under this part:

"If the fiscal year is:	*The minimum participation rate is:*
1996	*60*
1997 or 1998	*75*
1999 or thereafter	*90.*

"(B) PARTICIPATION RATE.—For purposes of this paragraph:

"(i) AVERAGE MONTHLY RATE.—The participation rate of a State for a fiscal year is the average of the participation rates of the State for each month in the fiscal year.

"(ii) MONTHLY PARTICIPATION RATES.—The participation rate of a State for a month is—

"(I) the number of 2-parent families receiving assistance under the State program funded under this part which include at least 1 adult who is engaged in work activities for the month; divided by

"(II) the total number of 2-parent families receiving assistance under the State program funded under this part during the month.

"(iii) ENGAGED.—An adult is engaged in work activities for a month in a fiscal year if the adult is making progress in such activities, per the State's requirement which must be at least 30 hours each week in a month, in work activities described in clause (vi), (vii), (viii), (ix), or (x) of section 482(d)(1)(A) (or, in the case of the first 4 weeks for which the recipient is required under this section to participate in work activities, an activity described in any such clause or in clause (iii), (iv), or (v) of such section).

"(b) PENALTIES AGAINST INDIVIDUALS.—

"(1) APPLICABLE TO ALL FAMILIES.—If an adult in a family receiving assistance under the State program funded under this part refuses to engage (within the meaning of subsection (a)(1)(C)(iii)) in work activities required under this section, a State to which a grant is made under section 403 shall—

"(A) reduce the amount of assistance that would otherwise be payable to the family; or

"(B) terminate such assistance,

subject to such good cause and other exceptions as the State may establish.

"(2) APPLICABLE TO 2-PARENT FAMILIES.—If an adult in a 2-parent family refuses to engage (within the meaning of subsection (a)(2)(B)(iii)) in work activities for at least 30 hours per week during any month, a State to which a grant is made under section 402 shall—

"(A) reduce the amount of assistance otherwise payable to the family; or

"(B) terminate such assistance,

subject to such good cause and other exceptions as the State may establish.

"(3) LIMITATION ON FEDERAL AUTHORITY.—No officer or employee of the Federal Government may regulate the conduct of States under this paragraph or enforce this paragraph against any State.

"SEC. 405. LIMITATIONS.

"(a) NO ASSISTANCE FOR MORE THAN 5 YEARS.—

"(1) IN GENERAL.—Except as provided under paragraph (2), a State to which a grant is made under section 403 may not use any part of the grant to provide assistance to a family of an individual who has received assistance under the program operated under this part for the lesser of—

"(A) the period of time established at the option of the State; or

"(B) 60 months (whether or not consecutive) after September 30, 1995.

"(2) MINOR CHILD EXCEPTION.—If an individual received assistance under the State program operated under this part as a minor child in a needy family, any period during which such individual's family received assistance shall not be counted for purposes of applying the limitation described in paragraph (1) to an application for assistance under such program by such individual as the head of a household of a needy family with minor children.

"(3) HARDSHIP EXCEPTION.—

"(A) IN GENERAL.—The State may exempt a family from the application of paragraph (1) by reason of hardship.

"(B) LIMITATION.—The number of families with respect to which an exemption made by a State under subparagraph (A) is in effect for a fiscal year shall not exceed 15 percent of the average monthly number of families to which the State is providing assistance under the program operated under this part.

"(b) DENIAL OF ASSISTANCE FOR 10 YEARS TO A PERSON FOUND TO HAVE FRAUDULENTLY MISREPRESENTED RESIDENCE IN ORDER TO OBTAIN ASSISTANCE IN 2 OR MORE STATES.—An individual shall not be considered an eligible individual for the purposes of this part during the 10-year period that begins on the date the individual is convicted in Federal or State court of having made a fraudulent statement or representation with respect to the place of residence of the individual in order to receive assistance simultaneously from 2 or more States under programs that are funded under this title, title XIX, or the Food Stamp Act of 1977, or benefits in 2 or more States under the supplemental security income program under title XVI.

"(c) DENIAL OF ASSISTANCE FOR FUGITIVE FELONS AND PROBATION AND PAROLE VIOLATORS.—

"(1) IN GENERAL.—An individual shall not be considered an eligible individual for the purposes of this part if such individual is—

"(A) fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

"(B) violating a condition of probation or parole imposed under Federal or State law.

"(2) EXCHANGE OF INFORMATION WITH LAW ENFORCEMENT AGENCIES.—Notwithstanding any other provision of law, a State shall furnish any Federal, State, or local law enforcement officer, upon the request of the officer, with the current address of any recipient of assistance under this part, if the officer furnishes the agency with the name of the recipient and notifies the agency that—

"(A) such recipient—

"(i) is described in subparagraph (A) or (B) of paragraph (1); or

"(ii) has information that is necessary for the officer to conduct the officer's official duties; and

"(B) the location or apprehension of the recipient is within such officer's official duties.

"(d) STATE OPTION TO PROHIBIT ASSISTANCE FOR CERTAIN ALIENS.—

"(1) IN GENERAL.—A State to which a grant is made under section 403 may, at its option, prohibit the use of any part of the grant to provide assistance under the State program funded under this part for an individual who is not a citizen or national of the United States.

"(2) DEEMING OF INCOME AND RESOURCES IF ASSISTANCE IS PROVIDED.—For deeming of income and resources requirements if assistance is provided to an individual who is not a citizen or national of the United States, see section 1145.

"SEC. 406. STATE PENALTIES.

"(a) IN GENERAL.—Subject to the provisions of subsection (b), the Secretary shall deduct from the grant otherwise payable under section 403 the following penalties:

"(1) FOR USE OF GRANT IN VIOLATION OF THIS PART.—If an audit conducted pursuant to chapter 75 of title 31, United States Code, finds that an amount paid to a State under section 403 for a fiscal year has been used in violation of this part, then the Secretary shall reduce the amount of the grant otherwise payable to the State under such section for the immediately succeeding fiscal year quarter by the amount so used, plus 5 percent of such grant (determined without regard to this section).

"(2) FOR FAILURE TO SUBMIT REQUIRED REPORT.—

"(A) IN GENERAL.—If the Secretary determines that a State has not, within 6 months after the end of a fiscal year, submitted the report required by section 408 for the fiscal year, the Secretary shall reduce by 5 percent the amount of the grant that would (in the absence of this section) be payable to the State under section 403 for the immediately succeeding fiscal year.

"(B) RESCISSION OF PENALTY.—The Secretary shall rescind a penalty imposed on a State under subparagraph (A) with respect to a report for a fiscal year if the State submits the report before the end of the immediately succeeding fiscal year.

"(3) FOR FAILURE TO SATISFY MINIMUM PARTICIPATION RATES.—

"(A) IN GENERAL.—If the Secretary determines that a State has failed to satisfy the minimum participation rates specified in section 404 for a fiscal year, the Secretary shall reduce by not more than 5 percent the amount of the grant that would (in the absence of this section) be payable to the State under section 403 for the immediately succeeding fiscal year.

"(B) PENALTY BASED ON SEVERITY OF FAILURE.—The Secretary shall impose reductions under subparagraph (A) on the basis of the degree of noncompliance.

"(4) FOR FAILURE TO PARTICIPATE IN THE INCOME AND ELIGIBILITY VERIFICATION SYSTEM.—If

the Secretary determines that a State program funded under this part is not participating during a fiscal year in the income and eligibility verification system required by section 1137, the Secretary shall reduce by not more than 5 percent the amount of the grant that would (in the absence of this section) be payable to the State under section 403 for the immediately succeeding fiscal year.

"(5) FOR FAILURE TO COMPLY WITH PATERNITY ESTABLISHMENT AND CHILD SUPPORT ENFORCEMENT REQUIREMENTS UNDER PART D.—

"(A) IN GENERAL.—Notwithstanding any other provision of this Act, if a State's program operated under part D of this title is found as a result of a review conducted under section 452(a)(4) of this title not to have complied substantially with the requirements of such part for any quarter beginning after September 30, 1983, and the Secretary determines that the State's program is not complying substantially with such requirements at the time such finding is made, the amounts otherwise payable to the State under section 403 for such quarter and each subsequent quarter, prior to the first quarter throughout which the State program is found to be in substantial compliance with such requirements, shall be reduced (subject to paragraph (2)) by—

"(i) not less than 1 nor more than 2 percent;

"(ii) not less than 2 nor more than 3 percent, if the finding is the second consecutive such finding made as a result of such a review; or

"(iii) not less than 3 nor more than 5 percent, if the finding is the third or a subsequent consecutive such finding made as a result of such a review.

"(B) SUSPENSION OF REDUCTIONS.—

"(i) IN GENERAL.—The reductions required under subparagraph (A) shall be suspended for any quarter if—

"(I) the State submits a corrective action plan, within a period prescribed by the Secretary following notice of the finding under subparagraph (A), which contains steps necessary to achieve substantial compliance within a time period which the Secretary finds to be appropriate;

"(II) the Secretary approves such corrective action plan (and any amendments thereto) as being sufficient to achieve substantial compliance; and

"(III) the Secretary finds that the corrective action plan (and any amendments approved under subclause (II)) is being fully implemented by the State and that the State is progressing in accordance with the timetable contained in the plan to achieve substantial compliance with such requirements.

"(ii) CONTINUATION OF SUSPENSION.—A suspension of the penalty under clause (i) shall continue until such time as the Secretary determines that—

"(I) the State has achieved substantial compliance;

"(II) the State is no longer implementing its corrective action plan; or

"(III) the State is implementing or has implemented its corrective action plan but has failed to achieve substantial compliance within the appropriate time period (as specified in clause (i)(I)).

"(iii) EXCEPTIONS.—

"(I) ACHIEVES COMPLIANCE.—In the case of a State whose penalty suspension ends pursuant to clause (ii)(I), the penalty shall not be applied.

"(II) NO LONGER IMPLEMENTING CORRECTIVE ACTION PLAN.—In the case of a State whose penalty suspension ends pursuant to clause (ii)(II), the penalty shall be applied as if the suspension had not occurred.

"(III) FAILURE TO ACHIEVE COMPLIANCE WITHIN APPROPRIATE TIME PERIOD.—In the case of a State whose penalty suspension ends pursuant to clause (ii)(III), the penalty shall be applied to all quarters ending after the expiration of the time period specified in such clause and prior to the first quarter throughout which the State program is found to be in substantial compliance.

"(C) DETERMINATION OF SUBSTANTIAL COMPLIANCE.—For purposes of this paragraph and section 452(a)(4) of this title, a State which is not in full compliance with the requirements of part D shall be determined to be in substantial compliance with such requirements only if the Secretary determines that any noncompliance with such requirements is of a technical nature which does not adversely affect the performance of the child support enforcement program.

"(6) FOR FAILURE TO TIMELY REPAY A SUPPLEMENTAL ASSISTANCE FOR NEEDY FAMILIES FEDERAL LOAN.—If the Secretary determines that a State has failed to repay any amount borrowed from the Supplemental Assistance for Needy Families Federal Loan Fund established under section 403(f) within the period of maturity applicable to such loan, plus any interest owed on such loan, then the Secretary shall reduce the amount of the grant otherwise payable to the State under section 403 for the immediately succeeding fiscal year quarter by the outstanding loan amount, plus the interest owed on such outstanding amount.

"(b) REQUIREMENTS.—

"(1) LIMITATION ON AMOUNT OF PENALTY.—

"(A) IN GENERAL.—In imposing the penalties described in subsection (a), the Secretary shall not reduce any quarterly payment to a State by more than 25 percent.

"(B) CARRYFORWARD OF UNRECOVERED PENALTIES.—To the extent that subparagraph (A) prevents the Secretary from recovering during a fiscal year the full amount of all penalties imposed on a State under subsection (a) for a prior fiscal year, the Secretary shall apply any remaining amount of such penalties to the grant otherwise payable to the State under section 403 for the immediately succeeding fiscal year.

"(2) STATE FUNDS TO REPLACE REDUCTIONS IN GRANT.—A State which has a penalty imposed against it under subsection (a) shall expend additional State funds in an amount equal to the amount of the penalty for the purpose of providing assistance under the State program under this part.

"(3) REASONABLE CAUSE FOR NONCOMPLIANCE.—The Secretary may not impose a penalty on a State under subsection (a) if the Secretary determines that the State has reasonable cause for failing to comply with a requirement for which a penalty is imposed under such subsection.

"SEC. 407. RELIGIOUS CHARACTER AND FREEDOM.

"Notwithstanding any other provision of law, any religious organization participating in the State program funded under this part shall retain its independence from Federal, State, and local government, including such an organization's control over the definition, development, practice, and expression of its religious beliefs. However, a religious organization participating in the State program under this part shall not deny needy families and children any assistance provided under this part on the basis of religion, a religious belief, or refusal to participate in a religious practice.

"SEC. 408. DATA COLLECTION AND REPORTING.

"(a) IN GENERAL.—Each State to which a grant is made under section 403 for a fiscal year shall, not later than 6 months after the end of fiscal year 1997, and each fiscal year thereafter, transmit to the Secretary the following aggregate information on families to which assistance was provided during the fiscal year under the State program operated under this part:

"(1) The number of adults receiving such assistance.

"(2) The number of children receiving such assistance and the average age of the children.

"(3) The employment status of such adults, and the average earnings of employed adults receiving such assistance.

"(4) The age, race, and educational attainment at the time of application for assistance of the adults receiving such assistance.

"(5) The average amount of cash and other assistance provided to the families under the program.

"(6) The number of months, since the most recent application for assistance under the program, for which such assistance has been provided to the families.

"(7) The total number of months for which assistance has been provided to the families under the program.

"(8) Any other data necessary to indicate whether the State is in compliance with the plan most recently submitted by the State pursuant to section 402.

"(9) The components of any program carried out by the State to provide employment and training activities in order to comply with section 404 and part F, and the average monthly number of adults in each such component.

"(10) The number of part-time job placements and the number of full-time job placements made through the program referred to in paragraph (11), the number of cases with reduced assistance, and the number of cases closed due to employment.

"(11) The number of cases closed due to section 405(a).

"(12) The increase or decrease in the number of children born out of wedlock to recipients of assistance under the State program funded under this part.

"(b) AUTHORITY OF STATES TO USE ESTIMATES.—A State may comply with the requirement to provide precise numerical information described in subsection (a) by submitting an estimate which is obtained through the use of scientifically acceptable sampling methods.

"(c) REPORT ON USE OF FEDERAL FUNDS TO COVER ADMINISTRATIVE COSTS AND OVERHEAD.—The report required by subsection (a) for a fiscal year shall include a statement of—

"(1) the total amount and percentage of the Federal funds paid to the State under this part for the fiscal year that are used to cover administrative costs or overhead; and

"(2) the total amount of State funds that are used to cover such costs or overhead.

"(d) REPORT ON STATE EXPENDITURES ON PROGRAMS FOR NEEDY FAMILIES.—The report required by subsection (a) for a fiscal year shall include a statement of the total amount expended by the State during the fiscal year on the program under this part and the purposes for which such amount was spent.

"(e) REPORT ON NONCUSTODIAL PARENTS PARTICIPATING IN WORK ACTIVITIES.—The report required by subsection (a) for a fiscal year shall include the number of noncustodial parents in the State who participated in work activities during the fiscal year.

"(f) REPORT ON CHILD SUPPORT COLLECTED.—The report required by subsection (a) for a fiscal year shall include the total amount of child support collected by the State agency administering the State program under part D on behalf of a family receiving assistance under this part.

"(g) REPORT ON CHILD CARE.—The report required by subsection (a) for a fiscal year shall include the total amount expended by the State for child care under the program under this part, along with a description of the types of child care provided, including—

"(1) child care provided in the case of a family that has ceased to receive assistance under this part because of employment; or

"(2) child care provided in the case of a family that is not receiving assistance under this part but would be at risk of becoming eligible for such assistance if child care was not provided.

"(h) REPORT ON TRANSITIONAL SERVICES.—The report required by subsection (a) for a fiscal year shall include the total amount expended by the State for providing transitional services to a family that has ceased to receive assistance under this part because of employment, along with a description of such services.

"SEC. 409. RESEARCH, EVALUATIONS, AND NATIONAL STUDIES.

"(a) RESEARCH.—The Secretary may conduct research on the effects and costs of State programs funded under this part.

"(b) DEVELOPMENT AND EVALUATION OF INNOVATIVE APPROACHES TO EMPLOYING WELFARE RECIPIENTS.—The Secretary may assist States in developing, and shall evaluate, innovative approaches to employing recipients of assistance under programs funded under this part. In performing such evaluations, the Secretary shall, to the maximum extent feasible, use random assignment to experimental and control groups.

"(c) STUDIES OF WELFARE CASELOADS.—The Secretary may conduct studies of the caseloads of States operating programs funded under this part.

"(d) DISSEMINATION OF INFORMATION.—The Secretary shall develop innovative methods of disseminating information on any research, evaluations, and studies conducted under this section, including the facilitation of the sharing of information and best practices among States and localities through the use of computers and other technologies.

"(e) ANNUAL RANKING OF STATES AND REVIEW OF MOST AND LEAST SUCCESSFUL WORK PROGRAMS.—

"(1) ANNUAL RANKING OF STATES.—The Secretary shall rank annually the States to which grants are paid under section 403 in the order of their success in moving recipients of assistance under the State program funded under this part into long-term private sector jobs.

"(2) ANNUAL REVIEW OF MOST AND LEAST SUCCESSFUL WORK PROGRAMS.—The Secretary shall review the programs of the 3 States most recently ranked highest under paragraph (1) and the 3 States most recently ranked lowest under paragraph (1) that provide parents with work experience, assistance in finding employment, and other work preparation activities and support services to enable the families of such parents to leave the program and become self-sufficient.

"(f) STUDY ON ALTERNATIVE OUTCOMES MEASURES.—

"(1) STUDY.—The Secretary shall, in cooperation with the States, study and analyze outcomes measures for evaluating the success of a State in moving individuals out of the welfare system through employment as an alternative to the minimum participation rates described in section 404. The study shall include a determination as to whether such alternative outcomes measures should be applied on a national or a State-by-State basis.

"(2) REPORT.—Not later than September 30, 1998, the Secretary shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report containing the findings of the study described in paragraph (1).

"SEC. 410. STUDY BY THE CENSUS BUREAU.

"(a) IN GENERAL.—The Bureau of the Census shall expand the Survey of Income and Program Participation as necessary to obtain such information as will enable interested persons to evaluate the impact of the amendments made by titles I and II of the Family Self-Sufficiency Act of 1995 on a random national sample of recipients of assistance under State programs funded under this part and (as appropriate) other low-income families, and in doing so, shall pay particular attention to the issues of out-of-wedlock births, welfare dependency, the beginning and end of welfare spells, and the causes of repeat welfare spells.

"(b) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, the Secretary of the Treasury shall pay to the Bureau of the Census $10,000,000 for each of fiscal years 1996, 1997, 1998, 1999, and 2000 to carry out subsection (a).

"SEC. 411. ASSISTANT SECRETARY FOR FAMILY SUPPORT.

"The programs under this part, part D, and part F of this title shall be administered by an Assistant Secretary for Family Support within the Department of Health and Human Services, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be in addition to any other Assistant Secretary of Health and Human Services provided for by law.

"SEC. 412. STATE DEMONSTRATION PROGRAMS.

"Nothing in this part shall be construed as limiting a State's ability to conduct demonstration projects for the purpose of identifying innovative or effective program designs in 1 or more political subdivisions of the State.

"SEC. 413. NO INDIVIDUAL ENTITLEMENT.

"Notwithstanding any other provision of law, no individual is entitled to any assistance under this part or any service under part F.".

SEC. 102. REPORT ON DATA PROCESSING.

(a) IN GENERAL.—Not later than 6 months after the date of the enactment of this Act, the Secretary of Health and Human Services shall prepare and submit to the Congress a report on—

(1) the status of the automated data processing systems operated by the States to assist management in the administration of State programs under part A of title IV of the Social Security Act (whether in effect before or after October 1, 1995); and

(2) what would be required to establish a system capable of—

(A) tracking participants in public programs over time; and

(B) checking case records of the States to determine whether individuals are participating in public programs in 2 or more States.

(b) PREFERRED CONTENTS.—The report required by subsection (a) should include—

(1) a plan for building on the automated data processing systems of the States to establish a system with the capabilities described in subsection (a)(2); and

(2) an estimate of the amount of time required to establish such a system and of the cost of establishing such a system.

SEC. 103. CONTINUED APPLICATION OF CURRENT STANDARDS UNDER MEDICAID PROGRAM.

(a) IN GENERAL.—Title XIX (42 U.S.C. 1396 et seq.) is amended—

(1) in section 1931, by inserting "subject to section 1931(a)," after "under this title," and by redesignating such section as section 1932; and

(2) by inserting after section 1930 the following new section:

"CONTINUED APPLICATION OF AFDC STANDARDS

"SEC. 1931. (a) For purposes of applying this title on and after October 1, 1995, with respect to a State—

"(1) except as provided in paragraph (2), any reference in this title (or other provision of law in relation to the operation of this title) to a provision of part A of title IV of this Act, or a State plan under such part, shall be considered a reference to such provision or plan as in effect as of June 1, 1995, with respect to the State and eligibility for medical assistance under this title shall be determined as if such provision or plan (as in effect as of such date) had remained in effect on and after October 1, 1995; and

"(2) any reference in section 1902(a)(5) or 1902(a)(55) to a State plan approved under part A of title IV shall be deemed a reference to a State program funded under such part (as in effect on and after October 1, 1995).

"(b) In the case of a waiver of a provision of part A of title IV in effect with respect to a State as of June 1, 1995, if the waiver affects eligibility of individuals for medical assistance under this title, such waiver may, at the option of the State, continue to be applied in relation to this title after the date the waiver would otherwise expire.".

(b) PLAN AMENDMENT.—Section 1902(a) (42 U.S.C. 1396a(a)) is amended—

(1) by striking "and" at the end of paragraph (61);

(2) by striking the period at the end of paragraph (62) and inserting "; and"; and

(3) by inserting after paragraph (62) the following new paragraph:

"(63) provide for continuing to administer eligibility standards with respect to individuals who are (or seek to be) eligible for medical assistance based on the application of section 1931.".

(c) CONFORMING AMENDMENTS.—(1) Section 1902(c) (42 U.S.C. 1396a(c)) is amended by striking "if—" and all that follows and inserting the following: "if the State requires individuals described in subsection (l)(1) to apply for assistance under the State program funded under part A of title IV as a condition of applying for or receiving medical assistance under this title.".

(2) Section 1903(i) (42 U.S.C. 1396b(i)) is amended by striking paragraph (9).

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to medical assistance furnished for calendar quarters beginning on or after October 1, 1995.

SEC. 104. WAIVERS.

(a) CONTINUATION OF WAIVERS.—

(1) IN GENERAL.—Except as provided in paragraph (2), if any waiver granted to a State under section 1115 of the Social Security Act or otherwise which relates to the provision of assistance under a State plan under part A of title IV of such Act (42 U.S.C. 1396 et seq.), is in effect or approved by the Secretary of Health and Human Services (in this section referred to as the "Secretary") as of October 1, 1995, the amendments made by this Act shall not apply with respect to the State before the expiration (determined without regard to any extensions) of the waiver to the extent such amendments are inconsistent with the terms of the waiver.

(2) FINANCING LIMITATION.—Notwithstanding any other provision of law, beginning with fiscal year 1996, a State operating under a waiver described in paragraph (1) shall receive the payment described for such State for such fiscal year under section 403 of the Social Security Act, as added by section 101, in lieu of any other payment provided for in the waiver.

(b) STATE OPTION TO TERMINATE WAIVER.—

(1) IN GENERAL.—A State may terminate a waiver described in subsection (a) before the expiration of the waiver.

(2) REPORT.—A State which terminates a waiver under paragraph (1) shall submit a report to the Secretary summarizing the waiver and any available information concerning the result or effect of such waiver.

(3) HOLD HARMLESS PROVISION.—

(A) IN GENERAL.—A State that, not later than the date described in subparagraph (B), submits a written request to terminate a waiver described in subsection (a) shall be held harmless for accrued cost neutrality liabilities incurred under the terms and conditions of such waiver.

(B) DATE DESCRIBED.—The date described in this subparagraph is the later of—

(i) January 1, 1996; or

(ii) 90 days following the adjournment of the first regular session of the State legislature that begins after the date of the enactment of this Act.

(c) SECRETARIAL ENCOURAGEMENT OF CURRENT WAIVERS.—The Secretary shall encourage any State operating a waiver described in subsection (a) to continue such waiver and to evaluate, using random sampling and other characteristics of accepted scientific evaluations, the result or effect of such waiver.

SEC. 105. DEEMED INCOME REQUIREMENT FOR FEDERAL AND FEDERALLY FUNDED PROGRAMS UNDER THE SOCIAL SECURITY ACT.

(a) IN GENERAL.—Part A of title XI (42 U.S.C. 1301–1320b–14) is amended by adding at the end the following new section:

"DEEMED INCOME REQUIREMENT FOR FEDERAL AND FEDERALLY FUNDED PROGRAMS

"SEC. 1145. (a) DEEMING REQUIREMENT FOR FEDERAL AND FEDERALLY FUNDED PROGRAMS.—For purposes of determining the eligibility of an individual (whether a citizen or national of the United States or an alien) for assistance, and the amount of assistance, under any Federal program of assistance authorized under this Act, or any program of assistance authorized under this Act funded in whole or in part by the Federal Government for which eligibility is based on need, the income and resources described in subsection (b) shall, notwithstanding any other provision of law, be deemed to be the income and resources of such individual.

"(b) DEEMED INCOME AND RESOURCES.—The income and resources described in this subsection include the following:

"(1) The income and resources of any person who, as a sponsor of such individual's entry into the United States (or in order to enable such individual lawfully to remain in the United States), executed an affidavit of support or similar agreement with respect to such individual.

"(2) The income and resources of such sponsor's spouse.

"(c) LENGTH OF DEEMED INCOME PERIOD.—The requirement of subsection (a) shall apply for the period for which the sponsor has agreed, in such affidavit or agreement, to provide support for such individual, or for a period of 5 years beginning on the date such individual was first lawfully in the United States after the execution of such affidavit or agreement, whichever period is longer.

"(d) DEEMED INCOME AUTHORITY TO STATE AND LOCAL AGENCIES.—

"(1) IN GENERAL.—For purposes of determining the eligibility of an individual (whether a citizen or national of the United States or an alien) for assistance, and the amount of assistance, under any State or local program of assistance authorized under this Act for which eligibility is based on need, or any need-based program of assistance authorized under this Act and administered by a State or local government other than a program described in subsection (a), the State or local government may, notwithstanding any other provision of law, require that the income and resources described in subsection (b) be deemed to be the income and resources of such individual.

"(2) LENGTH OF DEEMING PERIOD.—A State or local government may impose a requirement described in paragraph (1) for the period described in subsection (c).".

(b) CONFORMING AMENDMENTS.—

(1) Section 1621 (42 U.S.C. 1382j) is repealed.

(2) Section 1614(f)(3) (42 U.S.C. 1382c(f)(3)) is amended by striking "section 1621" and inserting "section 1145".

SEC. 106. CONFORMING AMENDMENTS TO THE SOCIAL SECURITY ACT.

(a) AMENDMENTS TO TITLE II.—

(1) Section 205(c)(2)(C)(vi) (42 U.S.C. 405(c)(2)(C)(vi)), as so redesignated by section 321(a)(9)(B) of the Social Security Independence and Program Improvements Act of 1994, is amended—

(A) by inserting "an agency administering a program funded under part A of title IV or" before "an agency operating"; and

(B) by striking "A or D of title IV of this Act" and inserting "D of such title".

(2) Section 228(d)(1) (42 U.S.C. 428(d)(1)) is amended by inserting "under a State program funded under" before "part A of title IV".

(b) AMENDMENT TO PART B OF TITLE IV.—Section 422(b)(2) (42 U.S.C. 622(b)(2)) is amended by striking "under the State plan approved" and inserting "under the State program funded.".

(c) AMENDMENTS TO PART D OF TITLE IV.—

(1) Section 451 (42 U.S.C. 651) is amended by striking "aid" and inserting "assistance under a State program funded".

(2) Section 452(a)(10)(C) (42 U.S.C. 652(a)(10)(C)) is amended—

(A) by striking "aid to families with dependent children" and inserting "assistance under a State program funded under part A"; and

(B) by striking "such aid" and inserting "such assistance"; and

(C) by striking "402(a)(26) or".

(3) Section 452(a)(10)(F) (42 U.S.C. 652(a)(10)(F)) is amended—

(A) by striking "aid under a State plan approved" and inserting "assistance under a State program funded"; and

(B) by striking "in accordance with the standards referred to in section 402(a)(26)(B)(ii)" and inserting "by the State".

(4) Section 452(b) (42 U.S.C. 652(b)) is amended in the first sentence by striking "aid under the State plan approved under part A" and inserting "assistance under a State program funded under part A".

(5) Section 452(d)(3)(B)(i) (42 U.S.C. 652(d)(3)(B)(i)) is amended by striking "1115(c)" and inserting "1115(b)".

(6) Section 452(g)(2)(A)(ii)(I) (42 U.S.C. 652(g)(2)(A)(ii)(I)) is amended by striking "aid is being paid under the State's plan approved under part A or E" and inserting "assistance is being provided under the State program funded under part A or aid is being paid under the State's plan approved under part E".

(7) Section 452(g)(2)(A) (42 U.S.C. 652(g)(2)(A)) is amended in the matter following clause (iii) by striking "aid was being paid under the State's plan approved under part A or E" and inserting "assistance was being provided under the State program funded under part A or aid was being paid under the State's plan approved under part E".

(8) Section 452(g)(2) (42 U.S.C. 652(g)(2)) is amended in the matter following subparagraph (B)—

(A) by striking "who is a dependent child by reason of the death of a parent" and inserting "with respect to whom assistance is being provided under the State program funded under part A";

(B) by inserting "by the State agency administering the State plan approved under this part" after "found"; and

(C) by striking "under section 402(a)(26)" and inserting "with the State in establishing paternity".

(9) Section 452(h) (42 U.S.C. 652(h)) is amended by striking "under section 402(a)(26)".

(10) Section 453(c)(3) (42 U.S.C. 653(c)(3)) is amended by striking "aid" and inserting "assistance under a State program funded".

(11) Section 454 (42 U.S.C. 654)) is amended—

(A) in paragraph (5)(A)—

(i) by striking "under section 402(a)(26)"; and

(ii) by striking "except that this paragraph shall not apply to such payments for any month following the first month in which the amount collected is sufficient to make such family ineligible for assistance under the State plan approved under part A;"; and

(B) in paragraph (6)(D), by striking "aid under a State plan approved" and inserting "assistance under a State program funded".

(12) Section 456 (42 U.S.C. 656) is amended by striking "under section 402(a)(26)" each place it appears.

(13) Section 466(a)(3)(B) (42 U.S.C. 666(a)(3)(B)) is amended by striking "402(a)(26) or".

(14) Section 466(b)(2) (42 U.S.C. 666(b)(2)) is amended by striking "aid" and inserting "assistance under a State program funded".

(15) Section 469(a) (42 U.S.C. 669(a)) is amended—

(A) by striking "aid under plans approved" and inserting "assistance under State programs funded"; and

(B) by striking "such aid" and inserting "such assistance".

(d) AMENDMENTS TO PART E OF TITLE IV.—

(1) Section 470 (42 U.S.C. 670) is amended by striking "the State's plan approved" and inserting "a State program funded".

(2) Section 471(17) (42 U.S.C. 671(17)) is amended by striking "plans approved under parts A and D" and inserting "program funded under part A and plan approved under part D".

(3) Section 472(a) (42 U.S.C. 672(a)) is amended—

(A) in the matter preceding paragraph (1), by striking "would meet the requirements of section 406(a) or of section 407 but for his removal from the home of a relative (specified in section 406(a))" and inserting "would be a minor child in a needy family under the State program funded under part A but for the child's removal from the home of the child's custodial parent or caretaker relative."; and

(B) in paragraph (4)—

(i) in subparagraph (A), by striking "aid under a State plan approved under section 402" and inserting "assistance under a State program funded under part A"; and

(ii) in subparagraph (B)—

(I) in clause (i), by striking "aid" and inserting "assistance"; and

(II) in clause (ii), by striking "relative specified in section 406(a)" and inserting "the child's custodial parent or caretaker relative".

(4) Section 472(h) (42 U.S.C. 672(h)) is amended to read as follows:

"(h)(1) For purposes of title XIX, any child with respect to whom foster care maintenance payments are made under this section shall be deemed to be a dependent child as defined in section 406 (as in effect as of June 1, 1995) and shall be deemed to be a recipient of aid to families with dependent children under part A of this title (as so in effect). For purposes of title XX, any child with respect to whom foster care maintenance payments are made under this section shall be deemed to be a minor child in a needy family under a State program funded under part A and shall be deemed to be a recipient of assistance under such part.

"(2) For purposes of paragraph (1), a child whose costs in a foster family home or child care institution are covered by the foster care maintenance payments being made with respect to the child's minor parent, as provided in section 475(4)(B), shall be considered a child with respect to whom foster care maintenance payments are made under this section.".

(5) Section 473(a)(2) (42 U.S.C. 673(a)(2)) is amended—

(A) in subparagraph (A)(i)—

(i) by striking "met the requirements of section 406(a) or section 407" and all that follows

through "specified in section 406(a))," and inserting "was a minor child in a needy family under the State program funded under part A or would have met such a standard except for the child's removal from the home of the child's custodial parent or caretaker relative," ; and

(ii) by striking "(or 403)";

(B) in subparagraph (B)(i), by striking "aid under the State plan approved under section 402" and inserting "assistance under the State program funded under part A";

(C) in subparagraph (B)(ii)—

(i) in subclause (I), by striking "aid" and inserting "assistance"; and

(ii) in subclause (II)—

(I) by striking "a relative specified in section 406(a)" and inserting "the child's custodial parent or caretaker relative"; and

(II) by striking "aid" each place such term appears and inserting "assistance".

(6) Section 473(b) (42 U.S.C. 673(b)) is amended to read as follows:

"(b)(1) For purposes of title XIX, any child who is described in paragraph (3) shall be deemed to be a dependent child as defined in section 406 (as in effect as of June 1, 1995) and shall be deemed to be a recipient of aid to families with dependent children under part A of this title (as so in effect) in the State where such child resides.

"(2) For purposes of title XX, any child who is described in paragraph (3) shall be deemed to be a minor child in a needy family under a State program funded under part A and shall be deemed to be a recipient of assistance under such part.

"(3) A child described in this paragraph is any child—

"(A)(i) who is a child described in subsection (a)(2), and

"(ii) with respect to whom an adoption assistance agreement is in effect under this section (whether or not adoption assistance payments are provided under the agreement or are being made under this section), including any such child who has been placed for adoption in accordance with applicable State and local law (whether or not an interlocutory or other judicial decree of adoption has been issued), or

"(B) with respect to whom foster care maintenance payments are being made under section 472.

"(4) For purposes of paragraphs (1) and (2), a child whose costs in a foster family home or child-care institution are covered by the foster care maintenance payments being made with respect to the child's minor parent, as provided in section 475(4)(B), shall be considered a child with respect to whom foster care maintenance payments are being made under section 472.".

(e) AMENDMENT TO TITLE X.—Section 1002(a)(7) (42 U.S.C. 1202(a)(7)) is amended by striking "aid to families with dependent children under the State plan approved under section 402 of this Act" and inserting "assistance under a State program funded under part A of title IV".

(f) AMENDMENTS TO TITLE XI.—

(1) Section 1109 (42 U.S.C. 1309) is amended by striking "or part A of title IV,".

(2) Section 1115 (42 U.S.C. 1315) is amended—

(A) in subsection (a)(2)—

(i) by inserting "(A)" after "(2)";

(ii) by striking "403,";

(iii) by striking the period at the end and inserting ", and"; and

(iv) by adding at the end the following new subparagraph:

"(B) costs of such project which would not otherwise be a permissible use of funds under part A of title IV and which are not included as part of the costs of projects under section 1110, shall to the extent and for the period prescribed by the Secretary, be regarded as a permissible use of funds under such part."; and

(B) in subsection (c)(3), by striking "under the program of aid to families with dependent children" and inserting "part A of such title".

(3) Section 1116 (42 U.S.C. 1316) is amended—

(A) in each of subsections (a)(1), (b), and (d), by striking "or part A of title IV,"; and

(B) in subsection (a)(3), by striking "404,".

(4) Section 1118 (42 U.S.C. 1318) is amended—

(A) by striking "403(a),";

(B) by striking "and part A of title IV,"; and

(C) by striking ", and shall, in the case of American Samoa, mean 75 per centum with respect to part A of title IV".

(5) Section 1119 (42 U.S.C. 1319) is amended—

(A) by striking "or part A of title IV"; and

(B) by striking "403(a),".

(6) Section 1133(a) (42 U.S.C. 1320b-3(a)) is amended by striking "or part A of title IV,".

(7) Section 1136 (42 U.S.C. 1320b-6) is repealed.

(8) Section 1137 (42 U.S.C. 1320b-7) is amended—

(A) in subsection (b), by striking paragraph (1) and inserting the following:

"(1) any State program funded under part A of title IV of this Act;"; and

(B) in subsection (d)(1)(B)—

(i) by striking "In this subsection—" and all that follows through "(ii) in" and inserting "In this subsection, in";

(ii) by redesignating subclauses (I), (II), and (III) as clauses (i), (ii), and (iii); and

(iii) by moving such redesignated material 2 ems to the left.

(g) AMENDMENT TO TITLE XIV.—Section 1402(a)(7) (42 U.S.C. 1352(a)(7)) is amended by striking "aid to families with dependent children under the State plan approved under section 402 of this Act" and inserting "assistance under a State program funded under part A of title IV".

(h) AMENDMENT TO TITLE XVI AS IN EFFECT WITH RESPECT TO THE TERRITORIES.—Section 1602(a)(11), as in effect without regard to the amendment made by section 301 of the Social Security Amendments of 1972 (42 U.S.C. 1382 note), is amended by striking "aid under the State plan approved" and inserting "assistance under a State program funded".

(i) AMENDMENT TO TITLE XVI AS IN EFFECT WITH RESPECT TO THE STATES.—Section 1611(c)(5)(A) (42 U.S.C. 1382(c)(5)(A)) is amended to read as follows: "(A) a State program funded under part A of title IV,".

SEC. 107. CONFORMING AMENDMENTS TO THE FOOD STAMP ACT OF 1977 AND RELATED PROVISIONS.

(a) Section 5 of the Food Stamp Act of 1977 (7 U.S.C. 2014) is amended—

(1) in the second sentence of subsection (a), by striking "a State plan approved" and inserting "a State program funded";

(2) in subsection (d)(5)—

(A) by striking "assistance to families with dependent children" and inserting "assistance under a State program funded"; and

(B) by striking paragraph (13) and redesignating paragraphs (14), (15), and (16) as paragraphs (13), (14), and (15), respectively;

(3) in subsection (j), by striking "a State plan approved" and inserting "a State program funded"; and

(4) in subsection (k)(1)(A), by striking "a regular benefit payable to the household for living expenses under a State plan for aid to families with dependent children approved" and inserting "assistance payable to the household under a State program funded".

(b) Section 6 of such Act (7 U.S.C. 2015) is amended—

(1) in subsection (c)(5), by striking "the State plan approved" and inserting "the State program funded";

(2) in subsection (d)(4)—

(A) in subparagraph (B)(i), by striking "in subparagraphs (A) and (B) of section 402(a)(35) of part A of title IV of the Social Security Act" and inserting "under the State program funded under part A of title IV of the Social Security Act";

(B) in subparagraph (I)(i)(II), by striking "benefits under part A" and inserting "assistance under a State program funded under part A"; and

(C) in subparagraph (L)(ii) by striking "training"; and

(3) in subsection (e)(6), by striking "aid to families with dependent children" and inserting "assistance under a State program funded".

(c) Section 8(e) of such Act (7 U.S.C. 2017(e)) is amended—

(1) in paragraph (1)(A)(i), by striking "aid to families with dependent children" and inserting "assistance under a State program";

(2) in paragraph (2)(A)(ii)(I), by striking "benefits paid to such household under a State plan for aid to families with dependent children approved" and inserting "assistance paid to such household under a State program funded"; and

(3) in paragraph (3), by striking "such aid to families with dependent children" and inserting "the assistance under a State program funded under part A of title IV of the Social Security Act".

(d) Section 11 of such Act (7 U.S.C. 2020) is amended—

(1) in subsection (e)(2), by striking "the aid to families with dependent children program" and inserting "the State program funded"; and

(2) in subsection (i)(1), by striking "the aid to families with dependent children program" and inserting "the State program funded".

(e) Section 16(g)(4) of such Act (7 U.S.C. 2025(g)(4)) is amended by striking "State plans under the Aid to Families with Dependent Children Program under" and inserting "State programs funded under part A of".

(f) Section 17 of such Act (7 U.S.C. 2026) is amended—

(1) in subsection (b)—

(A) the first sentence of paragraph (1)(A), by striking "aid to families with dependent children" and inserting "assistance under a State program funded"; and

(B) in paragraph (3)—

(i) in the first sentence of subparagraph (B), by striking "aid to families with dependent children under part F of title IV of the Social Security Act (42 U.S.C. 681 et seq.)" and inserting "assistance under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)";

(ii) in subparagraph (C)—

(II) in the first sentence, by striking "subsections (a)(19) and (g)" and all that follows through "section 402(g)(1)(A)) and"; and

(III) in the second sentence, by striking "'aid to families with dependent children'" and inserting "'assistance under the State program funded under part A'"; and

(iii) in subparagraph (E), by striking "the provisions of section 402, and sections 481 through 487," and inserting "sections 481 through 487"; and

(2) in subsection (i)—

(A) in paragraph (1), by striking "benefits under a State plan" and all that follows through "and without regard" and inserting "assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) (referred to in this subsection as an 'eligible household') shall be issued monthly allotments following the rules and procedures of the program, and without regard"; and

(B) in paragraph (2)—

(i) in subparagraph (D)—

(I) in the first sentence, by striking "benefit provided under" and inserting "assistance provided under a State program funded under"; and

(II) in the first sentence, by striking "section 402(a)(7)(C)" and all that follows to the end period and inserting "any nonrecurring lump-sum income and income deemed or allocated to the household under the State program funded under such part"; and

(ii) in subparagraph (E)—

(I) in the first sentence, by striking "section 402(a)(8) of the Social Security Act (42 U.S.C. 602(a)(8))" and inserting "the State program funded under part A of title IV of the Social Security Act"; and

(II) in the second sentence, by striking "the earned income disregards provided under 402(a)(8) of the Social Security Act" and inserting "any earned income disregards provided under the State program funded under such part".

(g) Section 5(h)(1) of the Agriculture and Consumer Protection Act of 1973 (Public Law 93–186; 7 U.S.C. 612c note) is amended by striking "the program for aid to families with dependent children" and inserting "the State program funded".

(h) Section 9 of the National School Lunch Act (42 U.S.C. 1758) is amended—

(1) in subsection (b)—

(A) in paragraph (2)(C)(ii)(II), by striking "program for aid to families with dependent children" and inserting "State program funded"; and

(B) in paragraph (6)—

(i) in subparagraph (A)(ii), by striking "an AFDC assistance unit (under the aid to families with dependent children program authorized" and inserting "a family (under the State program funded"; and

(ii) in subparagraph (B), by striking "aid to families with dependent children" and inserting "assistance under the State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)"; and

(2) in subsection (d)(2)(C), by striking "program for aid to families with dependent children" and inserting "State program funded".

(i) Section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) is amended—

(1) in subsection (d)(2)(A)(ii)(II), by striking "program for aid to families with dependent children established" and inserting "State program funded";

(2) in subsection (e)(4)(A), by striking "program for aid to families with dependent children" and inserting "State program funded"; and

(3) in subsection (f)(1)(C)(iii), by striking "aid to families with dependent children," and inserting "State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) and with the".

SEC. 108. CONFORMING AMENDMENTS TO OTHER LAWS.

(a) Subsection (b) of section 508 of the Unemployment Compensation Amendments of 1976 (Public Law 94–566; 90 Stat. 2689) is amended to read as follows:

"(b) PROVISION FOR REIMBURSEMENT OF EXPENSES.—For purposes of section 455 of the Social Security Act, expenses incurred to reimburse State employment offices for furnishing information requested of such offices—

"(1) pursuant to the third sentence of section 3(a) of the Act entitled 'An Act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes', approved June 6, 1933 (29 U.S.C. 49b(a)), or

"(2) by a State or local agency charged with the duty of carrying a State plan for child support approved under part D of title IV of the Social Security Act,

shall be considered to constitute expenses incurred in the administration of such State plan.".

(b) Section 9121 of the Omnibus Budget Reconciliation Act of 1987 (42 U.S.C. 602 note) is repealed.

(c) Section 9122 of the Omnibus Budget Reconciliation Act of 1987 (42 U.S.C. 602 note) is repealed.

(d) Section 221 of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 602 note), relating to treatment under AFDC of certain rental payments for federally assisted housing, is repealed.

(e) Section 159 of the Tax Equity and Fiscal Responsibility Act of 1982 (42 U.S.C. 602 note) is repealed.

(f) Section 202(d) of the Social Security Amendments of 1967 (81 Stat. 882; 42 U.S.C. 602 note) is repealed.

(g) Section 233 of the Social Security Act Amendments of 1994 (42 U.S.C. 602 note) is repealed.

(h) Section 903 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (42 U.S.C. 11381 note), relating to demonstration projects to reduce number of AFDC families in welfare hotels, is amended—

(1) in subsection (a), by striking "aid to families with dependent children under a State plan approved" and inserting "assistance under a State program funded"; and

(2) in subsection (c), by striking "aid to families with dependent children in the State under a State plan approved" and inserting "assistance in the State under a State program funded".

(i) The Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) is amended—

(1) in section 404C(c)(3) (20 U.S.C. 1070a–23(c)(3)), by striking "(Aid to Families with Dependent Children)"; and

(2) in section 480(b)(2) (20 U.S.C. 1087vv(b)(2)), by striking "aid to families with dependent children under a State plan approved" and inserting "assistance under a State program funded".

(j) The Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.) is amended—

(1) in section 231(d)(3)(A)(ii) (20 U.S.C. 2341(d)(3)(A)(ii)), by striking "the program for aid to dependent children" and inserting "the State program funded";

(2) in section 232(b)(2)(B) (20 U.S.C. 2341a(b)(2)(B)), by striking "the program for aid to families with dependent children" and inserting "the State program funded"; and

(3) in section 521(14)(B)(iii) (20 U.S.C. 2471(14)(B)(iii)), by striking "the program for aid to families with dependent children" and inserting "the State program funded".

(k) The Elementary and Secondary Education Act of 1965 (20 U.S.C. 2701 et seq.) is amended—

(1) in section 1113(a)(5) (20 U.S.C. 6313(a)(5)), by striking "Aid to Families with Dependent Children Program" and inserting "State program funded under part A of title IV of the Social Security Act";

(2) in section 1124(c)(5) (20 U.S.C. 6333(c)(5)), by striking "the program of aid to families with dependent children under a State plan approved under" and inserting "a State program funded under part A of"; and

(3) in section 5203(b)(2) (20 U.S.C. 7233(b)(2))—

(A) in subparagraph (A)(xi), by striking "Aid to Families with Dependent Children benefits" and inserting "assistance under a State program funded under part A of title IV of the Social Security Act"; and

(B) in subparagraph (B)(viii), by striking "Aid to Families with Dependent Children" and inserting "assistance under the State program funded under part A of title IV of the Social Security Act".

(l) Chapter VII of title I of Public Law 99–88 (25 U.S.C. 13d–1) is amended to read as follows: "Provided further, That general assistance payments made by the Bureau of Indian Affairs shall be made—

"(1) after April 29, 1985, and before October 1, 1995, on the basis of Aid to Families with Dependent Children (AFDC) standards of need; and

"(2) on and after October 1, 1995, on the basis of standards of need established under the State program funded under part A of title IV of the Social Security Act,

except that where a State ratably reduces its AFDC or State program payments, the Bureau shall reduce general assistance payments in such State by the same percentage as the State has reduced the AFDC or State program payment.".

(m) The Internal Revenue Code of 1986 (26 U.S.C. 1 et seq.) is amended—

(1) in section 51(d)(9) (26 U.S.C. 51(d)(9)), by striking all that follows "agency as" and inserting "being eligible for financial assistance under part A of title IV of the Social Security Act and as having continually received such financial assistance during the 90-day period which immediately precedes the date on which such individual is hired by the employer.";

(2) in section 3304(a)(16) (26 U.S.C. 3304(a)(16)), by striking "eligibility for aid or services," and all that follows through "children approved" and inserting "eligibility for assistance, or the amount of such assistance, under a State program funded";

(3) in section 6103(l)(7)(D)(i) (26 U.S.C. 6103(l)(7)(D)(i)), by striking "aid to families with dependent children provided under a State plan approved" and inserting "a State program funded";

(4) in section 6334(a)(11)(A) (26 U.S.C. 6334(a)(11)(A)), by striking "(relating to aid to families with dependent children)"; and

(5) in section 7523(b)(3)(C) (26 U.S.C. 7523(b)(3)(C)), by striking "aid to families with dependent children" and inserting "assistance under a State program funded under part A of title IV of the Social Security Act".

(n) Section 3(b) of the Wagner-Peyser Act (29 U.S.C. 49b(b)) is amended by striking "State plan approved under part A of title IV" and inserting "State program funded under part A of title IV".

(o) The Job Training Partnership Act (29 U.S.C. 1501 et seq.) is amended—

(1) in section 106(b)(6)(C) (29 U.S.C. 1516(b)(6)(C)), by striking "State aid to families with dependent children records," and inserting "records collected under the State program funded under part A of title IV of the Social Security Act";

(2) in section 501(1) (29 U.S.C. 1791(1)), by striking "aid to families with dependent children" and inserting "assistance under the State program funded";

(3) in section 506(1)(A) (29 U.S.C. 1791e(1)(A)), by striking "aid to families with dependent children" and inserting "assistance under the State program funded"; and

(4) in section 508(a)(2)(A) (29 U.S.C. 1791g(a)(2)(A)), by striking "aid to families with dependent children" and inserting "assistance under the State program funded".

(p) Section 3803(c)(2)(C)(iv) of title 31, United States Code, is amended to read as follows:

"(iv) assistance under a State program funded under part A of title IV of the Social Security Act".

(q) Section 2605(b)(2)(A)(i) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8624(b)(2)(A)(i)) is amended to read as follows:

"(i) assistance under the State program funded under part A of title IV of the Social Security Act;".

(r) Section 303(f)(2) of the Family Support Act of 1988 (42 U.S.C. 602 note) is amended—

(1) by striking "(A)"; and

(2) by striking subparagraphs (B) and (C).

(s) The Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.) is amended—

(1) in section 255(h) (2 U.S.C. 905(h), by striking "Aid to families with dependent children (75–0412–0–1–609);" and inserting "Block grants to States for temporary assistance for needy families;"; and

(2) in section 256 (2 U.S.C. 906)—

(A) by striking subsection (k); and

(B) by redesignating subsection (l) as subsection (k).

(t) The Immigration and Nationality Act (8 U.S.C. 1101 et seq.) is amended—

(1) in section 210(f) (8 U.S.C. 1160(f)), by striking "aid under a State plan approved under" each place it appears and inserting "assistance under a State program funded under";

(2) in section 245A(h) (8 U.S.C. 1255a(h))—

(A) in paragraph (1)(A)(i), by striking "program of aid to families with dependent children" and inserting "State program of assistance"; and

(B) in paragraph (2)(B), by striking "aid to families with dependent children" and inserting "assistance under a State program funded under part A of title IV of the Social Security Act"; and

(3) in section 412(e)(4) (8 U.S.C. 1522(e)(4)), by striking "State plan approved" and inserting "State program funded".

(u) Section 640(a)(4)(B)(i) of the Head Start Act (42 U.S.C. 9835(a)(4)(B)(i)) is amended by striking "program of aid to families with dependent children under a State plan approved" and inserting "State program of assistance funded".

(v) Section 9 of the Act of April 19, 1950 (64 Stat. 47, chapter 92; 25 U.S.C. 639) is repealed.

SEC. 109. SECRETARIAL SUBMISSION OF LEGISLATIVE PROPOSAL FOR TECHNICAL AND CONFORMING AMENDMENTS.

Not later than 90 days after the date of the enactment of this Act, the Secretary of Health and Human Services, in consultation, as appropriate, with the heads of other Federal agencies, shall submit to the appropriate committees of Congress a legislative proposal providing for such technical and conforming amendments in the law as are required by the provisions of this Act.

SEC. 110. EFFECTIVE DATE; TRANSITION RULE.

(a) IN GENERAL.—Except as otherwise provided in this title, this title and the amendments made by this title shall take effect on October 1, 1995.

(b) TRANSITION RULE.—

(1) STATE OPTION TO CONTINUE AFDC PROGRAM.—

(A) 6-MONTH EXTENSION.—A State may continue a State program under parts A and F of title IV of the Social Security Act, as in effect on September 30, 1995 (for purposes of this paragraph, the "State AFDC program") until March 31, 1996.

(B) REDUCTION OF FISCAL YEAR 1996 GRANT.—In the case of any State opting to continue the State AFDC program pursuant to subparagraph (A), the State family assistance grant paid to such State under section 403(b) of the Social Security Act (as added by section 101 and as in effect on and after October 1, 1995) for fiscal year 1996 (after the termination of the State AFDC program) shall be reduced by an amount equal to the total Federal payment to such State under section 403 of the Social Security Act (as in effect on September 30, 1995) for such fiscal year.

(2) CLAIMS, ACTIONS, AND PROCEEDINGS.—The amendments made by this title shall not apply with respect to—

(A) powers, duties, functions, rights, claims, penalties, or obligations applicable to aid, assistance, or services provided before the effective date of this title under the provisions amended; and

(B) administrative actions and proceedings commenced before such date, or authorized before such date to be commenced, under such provisions.

TITLE II—MODIFICATIONS TO THE JOBS PROGRAM

SEC. 201. MODIFICATIONS TO THE JOBS PROGRAM.

(a) INCREASED EMPLOYMENT AND JOB RETENTION.—

(1) JOB OPPORTUNITIES AND BASIC SKILLS.—The heading for part F of title IV (42 U.S.C. 681 et seq.) is amended by striking "TRAINING".

(2) PURPOSE.—Section 481(a) (42 U.S.C. 681(a)) is amended to read as follows:

"SEC. 481. (a) PURPOSE.—It is the purpose of this part to assist each State in providing such services as the State determines to be necessary to—

"(1) enable individuals receiving assistance under part A to enter employment as quickly as possible;

"(2) increase job retention among such individuals; and

"(3) ensure that needy families with children obtain the supportive services that will help them avoid long-term welfare dependence.".

(b) ESTABLISHMENT AND OPERATION OF STATE PROGRAMS.—

(1) STATE PLANS FOR JOBS PROGRAMS.—Section 482(a) (42 U.S.C. 682(a)) is amended—

(A) in the heading, by striking "TRAINING";

(B) in paragraph (1)—

(i) in subparagraph (A)—

(I) by striking "of aid to families with dependent children";

(II) by striking "training"; and

(III) by striking "under a plan approved" and all that follows through the period and inserting a period;

(ii) in subparagraph (B)—

(I) in the matter preceding clause (i), by striking "plan for establishing and operating the program must describe" and inserting "shall submit to the Secretary periodically, but not less frequently than every 2 years, a plan describing";

(II) in clause (ii)—

(aa) by striking "the extent to which such services are expected to be made available by other agencies on a nonreimbursable basis,"; and

(bb) by striking "program, and" and inserting "program."; and

(III) by striking clause (iii);

(iii) by striking subparagraph (C);

(iv) in subparagraph (D)(i), by striking "Not later than October 1, 1992, each State shall make" and inserting "Each State shall make appropriate services of"; and

(v) by redesignating subparagraph (D) as subparagraph (C);

(C) in paragraph (2)—

(i) by striking "(2) The" and inserting "(2)(A) The";

(ii) by striking "approved"; and

(iii) by adding at the end the following new subparagraphs:

"(B) The State agency shall establish procedures to—

"(i) encourage the placement of participants in jobs as quickly as possible, including using performance measures that reward staff performance, or such other management practice as the State may choose; and

"(ii) assist participants in retaining employment after they are hired.

"(C) The Secretary shall provide technical assistance and training to States to assist the States in implementing effective management practices and strategies in order to achieve the purpose of this part."; and

(D) by striking paragraph (3).

(2) EMPLOYABILITY PLAN.—Section 482(b)(1) (42 U.S.C. 682(b)(1)) is amended—

(A) in subparagraph (A), by inserting "the employability of each participant under the program and, in appropriate circumstances, a subsequent assessment which may include" after "assessment of"; and

(B) in subparagraph (B)—

(i) by striking "such assessment" and inserting "the subsequent assessment"; and

(ii) by striking the last sentence.

(3) PROVISION OF INFORMATION.—Section 482(c) (42 U.S.C. 682(c)) is amended—

(A) in paragraph (1), by striking "aid to families with dependent children" and inserting "assistance under the State program funded under part A";

(B) in paragraph (2), by striking "aid to families with dependent children" and inserting "assistance under the State program funded under part A";

(C) in paragraph (4), by striking "aid to families with dependent children of the grounds for exemption from participation in the program and the consequences of refusal to participate if not exempt" and inserting "assistance under the State program funded under part A of the consequences of refusal to participate in the program under this part"; and

(D) by striking paragraph (5).

(4) SERVICES AND ACTIVITIES.—Section 482(d) (42 U.S.C. 682(d)) is amended—

(A) in paragraph (1)(A), by striking "Such services and activities—" and all that follows through the period and inserting "Such services and activities shall be designed to improve the employability of participants and may include any combination of the following:

"(i) Educational activities (as appropriate), including high school or equivalent education (combined with training as needed), basic and remedial education to achieve a basic literacy level, and education for individuals with limited English proficiency.

"(ii) Job skills training.

"(iii) Job readiness activities to help prepare participants for work.

"(iv) Job development and job placement.

"(v) Group and individual job search.

"(vi) On-the-job training.

"(vii) Work supplementation programs as described in subsection (e).

"(viii) Community work experience programs as described in subsection (f), or any other community service programs approved by the State.

"(ix) A job placement voucher program, as described in subsection (g).

"(x) Unsubsidized employment.";

(B) in paragraph (2), by striking the last sentence; and

(C) in paragraph (3)—

(i) by striking "the Secretary shall permit up to 5 States to" and inserting "A State may"; and

(ii) by striking the last sentence.

(5) WORK SUPPLEMENTATION PROGRAM.—Section 482(e) (42 U.S.C. 682(e)) is amended—

(A) in paragraph (1)—

(i) by striking "aid to families with dependent children" each place it appears and inserting "assistance under the State program funded under part A"; and

(ii) by striking "paragraph (3)(C)(i) and (ii)" and inserting "paragraph (3)"; and

(B) in paragraph (2)—

(i) by striking subparagraphs (A), (C), (D), (F), and (G);

(ii) in subparagraph (B), by striking "approved";

(iii) in subparagraph (E)—

(I) by striking "aid to families with dependent children" and inserting "assistance";

(II) by striking "(as determined under subparagraph (D))"; and

(III) by striking "State plan approved" and inserting "State program"; and

(iv) by redesignating subparagraphs (B) and (E) as subparagraphs (A) and (B), respectively;

(C) in paragraph (3) to read as follows:

"(3) For purposes of this section, a subsidized job is a job provided to an individual for not more than a 12-month period—

"(A) by the State or local agency administering the State plan under part A; or

"(B) by any other employer for which all or part of the wages are paid by such State or local agency.

A State may provide or subsidize under the program any type of job which such State determines to be appropriate.";

(D) by striking paragraph (4);

(E) in paragraph (5)(A)—

(i) by striking "eligible" each place it appears; and

(ii) by redesignating such paragraph as paragraph (4);

(F) in paragraph (6)—

(i) by striking "aid to families with dependent children under the State plan approved" each place it appears and inserting "assistance"; and

(ii) by redesignating such paragraph as paragraph (5); and

(G) by striking paragraph (7).

(6) COMMUNITY WORK EXPERIENCE PROGRAM.—Section 482(f) (42 U.S.C. 682(f)) is amended—

(A) in paragraph (1)—

(i) in subparagraph (B)—

(I) in clause (i), by striking "aid to families with dependent children payable with respect to the family of which such individual is a member under the State plan approved under this part" and inserting "assistance payable with respect to the family of which such individual is a member under the State program funded under part A"; and

(II) in clause (ii), by striking "aid to families with dependent children payable with respect to the family of which such individual is a member under the State plan approved under this part (excluding any portion of such aid" and inserting "assistance payable with respect to the family of which such individual is a member under the State program funded under part A (excluding any portion of such assistance";

(ii) by striking subparagraph (C);

(iii) in subparagraph (D)—

(I) by striking "approved"; and

(II) by striking "community work experience program" and all that follows through the period and inserting "community service program."; and

(iv) by redesignating subparagraphs (D) and (E) as subparagraphs (C) and (D), respectively.

(B) in paragraph (3)—

(i) by striking "any program of job search under subsection (g),"; and

(ii) by striking "aid to families with dependent children" and inserting "assistance under the State program funded under part A"; and

(C) by striking paragraph (4).

(7) JOB PLACEMENT VOUCHER PROGRAM.—Section 482(g) (42 U.S.C. 682(g)) is amended to read as follows:

"(g) JOB PLACEMENT VOUCHER PROGRAM.—(1) The State agency may establish and operate a job placement voucher program for individuals participating in the program under this part.

"(2) A State that elects to operate a job placement voucher program under this subsection—

"(i) shall establish eligibility requirements for participation in the job placement voucher program; and

"(ii) may establish other requirements for such voucher program as the State deems appropriate.

"(3) A job placement voucher program operated by a State under this subsection shall include the following requirements:

"(A) The State shall identify, maintain, and make available to an individual applying for or receiving assistance under part A a list of State-approved job placement organizations that offer services in the area where the individual resides and a description of the job placement and support services each such organization provides. Such organizations may be publicly or privately owned and operated.

"(B)(i) An individual determined to be eligible for assistance under part A shall, at the time the individual becomes eligible for such assistance—

"(I) receive the list and description described in subparagraph (A);

"(II) agree, in exchange for job placement and support services, to—

"(aa) execute, within a period of time permitted by the State, a contract with a State-approved job placement organization which provides that the organization shall attempt to find employment for the individual; and

"(bb) comply with the terms of the contract; and

"(III) receive a job placement voucher (in an amount to be determined by the State) for payment to a State-approved job placement organization.

"(ii) The State shall impose the sanctions provided for in section 404(b) on any individual who does not fulfill the terms of a contract executed with a State-approved job placement organization.

"(C) At the time an individual executes a contract with a State-approved job placement organization, the individual shall provide the organization with the job placement voucher that the individual received pursuant to subparagraph (B).

"(D)(i) A State-approved job placement organization may redeem for payment from the State not more than 25 percent of the value of a job placement voucher upon the initial receipt of the voucher for payment of costs incurred in finding and placing an individual in an employment position. The remaining value of such voucher shall not be redeemed for payment from the State until the State-approved job placement organization—

"(I) finds an employment position (as determined by the State) for the individual who provided the voucher; and

"(II) certifies to the State that the individual remains employed with the employer that the organization originally placed the individual with for the greater of—

"(aa) 6 continuous months; or

"(bb) a period determined by the State.

"(ii) A State may modify, on a case-by-case basis, the requirement of clause (i)(II) under such terms and conditions as the State deems appropriate.

"(E)(i) The State shall establish performance-based standards to evaluate the success of the State job placement voucher program operated under this subsection in achieving employment for individuals participating in such voucher program. Such standards shall take into account the economic conditions of the State in determining the rate of success.

"(ii) The State shall, not less than once a fiscal year, evaluate the job placement voucher program operated under this subsection in accordance with the performance-based standards established under clause (i).

"(iii) The State shall submit a report containing the results of an evaluation conducted under clause (ii) to the Secretary and a description of the performance-based standards used to conduct the evaluation in such form and under such conditions as the Secretary shall require. The Secretary shall review each report submitted under this clause and may require the State to revise the performance-based standards if the Secretary determines that the State is not achieving an adequate rate of success for such State.".

(8) DISPUTE RESOLUTION PROCEDURES.—Section 482(h) (42 U.S.C. 682(h)) is amended by striking "or through the provision of a hearing pursuant to section 402(a)(4); but in no event shall aid to families with dependent children" and inserting "; but in no event shall assistance under the State program funded under part A".

(9) PROVISIONS RELATING TO INDIAN TRIBES.—Section 482(i) (42 U.S.C. 682(i)) is amended—

(A) in paragraph (1)—

(i) by striking "training" each place it appears; and

(ii) in the second sentence, by inserting ", for fiscal years before 1996," after "State";

(B) in paragraph (2), by inserting ", for fiscal years before 1996," after "paragraph (1)";

(C) in paragraph (3)—

(i) by striking "training" each place it appears; and

(ii) by striking "402(a)(19)" and inserting "404";

(D) in paragraph (4)—

(i) by striking "training"; and

(ii) by striking "and the maximum amount" and all that follows through the period at the end of the second sentence and inserting "and the amount that may be paid under section 403 to the State within which the tribe or Alaska Native organization is located shall be increased by any portion of the amount retained by the Secretary with respect to such program (and not payable to such tribe or Alaska Native organization for obligations already incurred).";

(E) in paragraph (7)(D), by striking "training" each place it appears;

(F) by redesignating paragraphs (3) through (8) as paragraphs (4) through (9), respectively; and

(G) by inserting after paragraph (2), the following new paragraph:

"(3) For any fiscal year after 1995, the amount of payment to any tribe or organization received under this subsection shall be an amount equal to the amount such tribe or organization received for fiscal year 1994.".

(c) COORDINATION REQUIREMENTS.—Section 483 (42 U.S.C. 683) is amended—

(1) in subsection (a)(2), by striking "not less than 60 days before its submission to the Secretary,";

(2) in subsection (b), by striking "education and training services" and inserting "necessary and supportive assistance for employment"; and

(3) in subsection (c), by striking "approved".

(d) PROVISIONS GENERALLY APPLICABLE.—Section 484 (42 U.S.C. 684) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking "family responsibilities,"; and

(B) in paragraph (5), by striking ", the participant's circumstances,";

(2) in subsection (c), by striking the last sentence; and

(3) in subsection (e), by striking "AFDC program" and inserting "State program funded under part A".

(e) CONTRACT AUTHORITY.—Section 485 (42 U.S.C. 685) is amended in subsections (a) and (c), by striking "approved" each place it appears.

(f) PERFORMANCE STANDARDS.—Section 487(c) (42 U.S.C. 687(c)) is amended by striking "matching rate" and inserting "payment to the States under section 403".

SEC. 202. EFFECTIVE DATE.

This title and the amendments made by this title shall take effect on October 1, 1995, unless a State has exercised the option described in section 110(b).

TITLE III—SUPPLEMENTAL SECURITY INCOME

Subtitle A—Eligibility Restrictions

SEC. 301. DENIAL OF SUPPLEMENTAL SECURITY INCOME BENEFITS BY REASON OF DISABILITY TO DRUG ADDICTS AND ALCOHOLICS.

(a) IN GENERAL.—Section 1614(a)(3) (42 U.S.C. 1382c(a)(3)) is amended by adding at the end the following new subparagraph:

"(I) Notwithstanding subparagraph (A), an individual shall not be considered to be disabled for purposes of this title if alcoholism or drug addiction would (but for this subparagraph) be a contributing factor material to the Commissioner's determination that the individual is disabled.".

(b) CONFORMING AMENDMENTS.—

(1) Section 1611(e) (42 U.S.C. 1382(e)) is amended by striking paragraph (3).

(2) Section 1631(a)(2)(A)(ii) (42 U.S.C. 1383(a)(2)(A)(ii)) is amended—

(A) by striking "(I)"; and

(B) by striking subclause (II).

(3) Section 1631(a)(2)(B) (42 U.S.C. 1383(a)(2)(B)) is amended—

(A) by striking clause (vii);

(B) in clause (viii), by striking "(ix)" and inserting "(viii)";

(C) in clause (ix)—

(i) by striking "(viii)" and inserting "(vii)"; and

(ii) in subclause (II), by striking all that follows "15 years" and inserting a period;

(D) in clause (xiii)—

(i) by striking "(xii)" and inserting "(xi)"; and

(ii) by striking "(xi)" and inserting "(x)"; and

(E) by redesignating clauses (viii) through (xiii) as clauses (vii) through (xii), respectively.

(4) Section 1631(a)(2)(D)(i)(II) (42 U.S.C. 1383(a)(2)(D)(i)(II)) is amended by striking all that follows "$25.00 per month" and inserting a period.

(5) Section 1634 (42 U.S.C. 1383c) is amended by striking subsection (e).

(6) Section 201(c)(1) of the Social Security Independence and Program Improvements Act of 1994 (42 U.S.C. 425 note) is amended—

(A) by striking "—" and all that follows through "(A)" the 1st place it appears;

(B) by striking "and" the 3rd place it appears;

(C) by striking subparagraph (B);

(D) by striking "either subparagraph (A) or subparagraph (B)" and inserting "the preceding sentence"; and

(E) by striking "subparagraph (A) or (B)" and inserting "the preceding sentence".

SEC. 302. LIMITED ELIGIBILITY OF NONCITIZENS FOR SSI BENEFITS.

Paragraph (1) of section 1614(a) (42 U.S.C. 1382c(a)) is amended—

(1) in subparagraph (B)(i), by striking "either" and all that follows through ", or" and inserting "(I) a citizen; (II) a noncitizen who is granted asylum under section 208 of the Immigration and Nationality Act or whose deportation has been withheld under section 243(h) of such Act for a period of not more than 5 years after the date of arrival into the United States; (III) a noncitizen who is admitted to the United States as a refugee under section 207 of such Act for not more than such 5-year period; (IV) a noncitizen, lawfully present in any State (or any territory or possession of the United States), who is a veteran (as defined in section 101 of title 38, United States Code) with a discharge characterized as an honorable discharge and not on account of alienage or who is the spouse or unmarried dependent child of such veteran; or (V) a noncitizen who has worked sufficient calendar quarters of coverage to be a fully insured individual for benefits under title II, or"; and

(2) by adding at the end the following new flush sentence:

"For purposes of subparagraph (B)(i)(IV), the determination of whether a noncitizen is lawfully present in the United States shall be made in accordance with regulations of the Attorney General. A noncitizen shall not be considered to be lawfully present in the United States for purposes of this title merely because the noncitizen may be considered to be permanently residing in the United States under color of law for purposes of any particular program.".

SEC. 303. DENIAL OF SSI BENEFITS FOR 10 YEARS TO INDIVIDUALS FOUND TO HAVE FRAUDULENTLY MISREPRESENTED RESIDENCE IN ORDER TO OBTAIN BENEFITS SIMULTANEOUSLY IN 2 OR MORE STATES.

Section 1614(a) (42 U.S.C. 1382c(a)) is amended by adding at the end the following new paragraph:

"(5) An individual shall not be considered an eligible individual for purposes of this title during the 10-year period beginning on the date the individual is convicted in Federal or State court of having made a fraudulent statement or representation with respect to the place of residence of the individual in order to receive assistance simultaneously from 2 or more States under programs that are funded under part A of title IV, title XIX, or the Food Stamp Act of 1977, or benefits in 2 or more States under the supplemental security income program under title XVI.".

SEC. 304. DENIAL OF SSI BENEFITS FOR FUGITIVE FELONS AND PROBATION AND PAROLE VIOLATORS.

(a) IN GENERAL.—Section 1611(e) (42 U.S.C. 1382(e)), as amended by section 301(b)(1) of this Act, is amended by inserting after paragraph (2) the following new paragraph:

"(3) A person shall not be an eligible individual or eligible spouse for purposes of this title with respect to any month if during such month the person is—

"(A) fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the person flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the person flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

"(B) violating a condition of probation or parole imposed under Federal or State law.".

(b) EXCHANGE OF INFORMATION WITH LAW ENFORCEMENT AGENCIES.—Section 1631(e) (42 U.S.C. 1383(e)) is amended by inserting after paragraph (3) the following new paragraph:

"(4) Notwithstanding any other provision of law, the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the request of the officer, with the current address of any recipient of benefits under this title, if the officer furnishes the agency with the name of the recipient and notifies the agency that—

"(A) the recipient—

"(i) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the person flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the person flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State;

"(ii) is violating a condition of probation or parole imposed under Federal or State law; or

"(iii) has information that is necessary for the officer to conduct the officer's official duties; and

"(B) the location or apprehension of the recipient is within the officer's official duties.".

SEC. 305. EFFECTIVE DATES; APPLICATION TO CURRENT RECIPIENTS.

(a) SECTIONS 301 AND 302.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by sections 301 and 302 shall apply to applicants for benefits for months beginning on or after the date of the enactment of this Act, without regard to whether regulations have been issued to implement such amendments.

(2) APPLICATION TO CURRENT RECIPIENTS.—

(A) APPLICATION AND NOTICE.—Notwithstanding any other provision of law, in the case of an individual who is receiving supplemental security income benefits under title XVI of the Social Security Act as of the date of the enactment of this Act and whose eligibility for such benefits would terminate by reason of the amendments made by section 301 or 302, such amendments shall apply with respect to the benefits of such individual for months beginning on or after January 1, 1997, and the Commissioner of Social Security shall so notify the individual not later than 90 days after the date of the enactment of this Act.

(B) REAPPLICATION.—

(i) IN GENERAL.—Not later than 120 days after the date of the enactment of this Act, each individual notified pursuant to subparagraph (A) who desires to reapply for benefits under title XVI of the Social Security Act, as amended by this title, shall reapply to the Commissioner of Social Security.

(ii) DETERMINATION OF ELIGIBILITY.—Not later than 1 year after the date of the enactment of this Act, the Commissioner of Social Security shall determine the eligibility of each individual who reapplies for benefits under clause (i) pursuant to the procedures of such title.

(b) OTHER AMENDMENTS.—The amendments made by sections 303 and 304 shall take effect on the date of the enactment of this Act.

Subtitle B—Benefits for Disabled Children

SEC. 311. RESTRICTIONS ON ELIGIBILITY FOR BENEFITS.

(a) DEFINITION OF CHILDHOOD DISABILITY.—Section 1614(a)(3) (42 U.S.C. 1382c(a)(3)), as amended by section 301(a), is amended—

(1) in subparagraph (A), by striking "An individual" and inserting "Except as provided in subparagraph (C), an individual;

(2) in subparagraph (A), by striking "(or, in the case of an individual under the age of 18, if he suffers from any medically determinable physical or mental impairment of comparable severity)";

(3) by redesignating subparagraphs (C) through (I) as subparagraphs (D) through (J), respectively;

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

"(C) An individual under the age of 18 shall be considered disabled for the purposes of this title if that individual has a medically determinable physical or mental impairment, which results in marked, pervasive, and severe functional limitations, and which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months."; and

(5) in subparagraph (F), as redesignated by paragraph (3), by striking "(D)" and inserting "(E)".

(b) CHANGES TO CHILDHOOD SSI REGULATIONS.—

(1) MODIFICATION TO MEDICAL CRITERIA FOR EVALUATION OF MENTAL AND EMOTIONAL DISORDERS.—The Commissioner of Social Security shall modify sections 112.00C.2. and 112.02B.2.c.(2) of appendix 1 to subpart P of part 404 of title 20, Code of Federal Regulations, to eliminate references to maladaptive behavior in the domain of personal/behavorial function.

(2) DISCONTINUANCE OF INDIVIDUALIZED FUNCTIONAL ASSESSMENT.—The Commissioner of Social Security shall discontinue the individual functional assessment for children set forth in

sections 416.924d and 416.924e of title 20, Code of Federal Regulations.

(c) EFFECTIVE DATE; APPLICATION TO CURRENT RECIPIENTS.—

(1) IN GENERAL.—The amendments made by subsections (a) and (b) shall apply to applicants for benefits for months beginning on or after the date of the enactment of this Act, without regard to whether regulations have been issued to implement such amendments.

(2) APPLICATION TO CURRENT RECIPIENTS.—

(A) CONTINUING DISABILITY REVIEWS.—Not later than 1 year after the date of the enactment of this Act, the Commissioner of Social Security shall redetermine pursuant to the procedures of title XVI of the Social Security Act the eligibility of any individual who is receiving supplemental security income benefits under title XVI of the Social Security Act as of the date of the enactment of this Act and whose eligibility for such benefits would terminate by reason of the amendments made by subsection (a) or (b). The Commissioner of Social Security shall give redetermination reviews under this subparagraph priority over other redetermination reviews.

(B) GRANDFATHER AND HOLD HARMLESS.—The amendments made by subsections (a) and (b), and the redetermination under subparagraph (A), shall only apply with respect to the benefits of an individual described in subparagraph (A) for months beginning on or after January 1, 1997, and such individual shall be held harmless for any payment of benefits made until such date.

(C) NOTICE.—Not later than 90 days after the date of the enactment of this Act, the Commissioner of Social Security shall notify an individual described in subparagraph (A) of the provisions of this paragraph.

SEC. 312. CONTINUING DISABILITY REVIEWS.

(a) CONTINUING DISABILITY REVIEWS RELATING FOR CERTAIN CHILDREN.—Section 1614(a)(3)(H) (42 U.S.C. 1382c(a)(3)(H)), as redesignated by section 311(a)(3), is amended—

(1) by inserting "(i)" after "(H)"; and

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

"(ii)(I) Not less frequently than once every 3 years, the Commissioner shall redetermine the eligibility for benefits under this title of each individual who has not attained 18 years of age and is eligible for such benefits by reason of disability.

"(II) Subclause (I) shall not apply to an individual if the individual has an impairment (or combination of impairments) which is (or are) not expected to improve.".

(b) DISABILITY REVIEW REQUIRED FOR SSI RECIPIENTS WHO ARE 18 YEARS OF AGE.—

(1) IN GENERAL.—Section 1614(a)(3)(H) (42 U.S.C. 1382c(a)(3)(H)), as amended by subsection (a), is amended by adding at the end the following new clause:

"(iii) If an individual is eligible for benefits under this title by reason of disability for the month preceding the month in which the individual attains the age of 18 years, the Commissioner shall redetermine such eligibility—

"(I) during the 1-year period beginning on the individual's 18th birthday; and

"(II) by applying the criteria used in determining such eligibility for applicants who have attained the age of 18 years.

A review under this clause shall be considered a substitute for a review otherwise required under any other provision of this subparagraph during that 1-year period.".

(2) REPORT TO THE CONGRESS.—Not later than October 1, 1998, the Commissioner of Social Security shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the activities conducted under section 1614(a)(3)(H)(iii) of the Social Security Act, as added by paragraph (1).

(3) CONFORMING REPEAL.—Section 207 of the Social Security Independence and Program Improvements Act of 1994 (42 U.S.C. 1382 note; 108 Stat. 1516) is hereby repealed.

(c) DISABILITY REVIEW REQUIRED FOR LOW BIRTH WEIGHT BABIES.—Section 1614(a)(3)(H) (42 U.S.C. 1382c(a)(3)(H)), as amended by subsections (a) and (b), is amended by adding at the end the following new clause:

"(iv)(I) Not later than 12 months after the birth of an individual, the Commissioner shall redetermine the eligibility for benefits under this title by reason of disability of such individual whose low birth weight is a contributing factor material to the Commissioner's determination that the individual is disabled.

"(II) A redetermination under subclause (I) shall be considered a substitute for a review otherwise required under any other provision of this subparagraph during that 12-month period.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to benefits for months beginning on or after the date of the enactment of this Act, without regard to whether regulations have been issued to implement such amendments.

SEC. 313. TREATMENT REQUIREMENTS FOR DISABLED INDIVIDUALS UNDER THE AGE OF 18.

(a) IN GENERAL.—Section 1631(a)(2) (42 U.S.C. 1383(a)(2)) is amended—

(1) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively; and

(2) by inserting after subparagraph (D) the following new subparagraph:

"(E)(i) Not later than 3 months after the Commissioner determines that an individual under the age of 18 is eligible for benefits under this title by reason of disability (and periodically thereafter, as the Commissioner may require), the representative payee of such individual shall file with the State agency that makes disability determinations on behalf of the Commissioner of Social Security in the State in which such individual resides, a copy of the treatment plan required by clause (ii).

"(ii) The treatment plan required by this clause shall be developed by the individual's treating physician or other medical provider, or if approved by the Commissioner, other service provider, and shall describe the services that such physician or provider determines is appropriate for the treatment of such individual's impairment or combination of impairments. Such plan shall be in such form and contain such information as the Commissioner may prescribe.

"(iii) The representative payee of any individual described in clause (i) shall provide evidence of adherence to the treatment plan described in clause (ii) at the time of any redetermination of eligibility conducted pursuant to section 1614(a)(3)(G)(ii), and at such other time as the Commissioner may prescribe.

"(iv) The failure of a representative payee to comply without good cause with the requirements of clause (i) or (iii) shall constitute misuse of benefits to which subparagraph (A)(iii) (but not subparagraph (F)) shall apply. In providing for an alternative representative payee as required by subparagraph (A)(iii), the Commissioner shall give preference to the State agency that administers the State plan approved under title XIX for the State in which the individual described in clause (i) resides or any other State agency designated by the State for such responsibility, unless the Commissioner determines that selection of another organization or person would be appropriate. Any such State agency that serves as a representative payee shall be a 'qualified organization' for purposes of subparagraph (D) of this paragraph.

"(v) This subparagraph shall not apply to the representative payee of any individual with respect to whom the Commissioner determines such application would be inappropriate or unnecessary. In making such determinations, the Commissioner shall take into consideration the nature of the individual's impairment (or combination of impairments) and the availability of treatment for such impairment (or impairments). Section 1631(c) shall not apply to a finding by the Commissioner that the requirements of this subparagraph should not apply to an individual's representative payee.".

(b) ACCESS TO MEDICAID RECORDS.—

(1) REQUIREMENT TO FURNISH INFORMATION.—Section 1902(a) (42 U.S.C. 1396a(a)), as amended by section 103(b), is amended—

(A) by striking "and" at the end of paragraph (62);

(B) by striking the period at the end of paragraph (63) and inserting "; and"; and

(C) by adding after paragraph (63) the following new paragraph:

"(64) provide that the State agency that administers the plan described in this section shall make available to the Commissioner of Social Security such information as the Commissioner may request in connection with the verification of information furnished to the Commissioner by a representative payee pursuant to section 1631(a)(2)(E)(iii).".

(2) REIMBURSEMENT OF STATE COSTS.—Section 1633 (42 U.S.C. 1383b) is amended by adding at the end the following new subsection:

"(d) The Commissioner of Social Security shall reimburse a State for the costs of providing information pursuant to section 1902(a)(64) from funds available for carrying out this title.".

(c) REPORT TO THE CONGRESS.—Not later than the last day of the 36th month beginning after the date of the enactment of this Act, the Inspector General of the Social Security Administration shall report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate on the implementation of this section.

(d) EFFECTIVE DATE.—This section shall take effect on the 1st day of the 12th month that begins after the date of the enactment of this Act.

Subtitle C—Study of Disability Determination Process

SEC. 321. STUDY OF DISABILITY DETERMINATION PROCESS.

(a) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, and from funds otherwise appropriated, the Commissioner of Social Security shall contract with the National Academy of Sciences, or other independent entity, to conduct a comprehensive study of the disability determination process under titles II and XVI of the Social Security Act, including the validity, reliability, equity, and consistency with current scientific knowledge and standards of the Listing of Impairments set forth in appendix 1 of subpart P of part 404 of title 20, Code of Federal Regulations.

(b) STUDY OF DEFINITIONS.—The study described in subsection (a) shall also include an examination of the appropriateness of the definitions of disability in titles II and XVI of the Social Security Act and the advantages and disadvantages of alternative definitions.

(c) REPORTS.—The Commissioner of Social Security shall, through the applicable entity, issue an interim report and a final report of the findings and recommendations resulting from the study described in this section to the President and the Congress not later than 12 months and 24 months, respectively, from the date of the contract for such study.

Subtitle D—National Commission on the Future of Disability

SEC. 331. ESTABLISHMENT.

There is established a commission to be known as the National Commission on the Future of

Disability (referred to in this subtitle as the "Commission"), the expenses of which shall be paid from funds otherwise appropriated for the Social Security Administration.

SEC. 332. DUTIES OF THE COMMISSION.

(a) IN GENERAL.—The Commission shall develop and carry out a comprehensive study of all matters related to the nature, purpose, and adequacy of all Federal programs serving individuals with disabilities. In particular, the Commission shall study the disability insurance program under title II of the Social Security Act and the supplemental security income program under title XVI of such Act.

(b) MATTERS STUDIED.—The Commission shall prepare an inventory of Federal programs serving individuals with disabilities, and shall examine—

(1) trends and projections regarding the size and characteristics of the population of individuals with disabilities, and the implications of such analyses for program planning;

(2) the feasibility and design of performance standards for the Nation's disability programs;

(3) the adequacy of Federal efforts in rehabilitation research and training, and opportunities to improve the lives of individuals with disabilities through all manners of scientific and engineering research; and

(4) the adequacy of policy research available to the Federal Government, and what actions might be undertaken to improve the quality and scope of such research.

(c) RECOMMENDATIONS.—The Commission shall submit to the appropriate committees of the Congress and to the President recommendations and, as appropriate, proposals for legislation, regarding—

(1) which (if any) Federal disability programs should be eliminated or augmented;

(2) what new Federal disability programs (if any) should be established;

(3) the suitability of the organization and location of disability programs within the Federal Government;

(4) other actions the Federal Government should take to prevent disabilities and disadvantages associated with disabilities; and

(5) such other matters as the Commission considers appropriate.

SEC. 333. MEMBERSHIP.

(a) NUMBER AND APPOINTMENT.—

(1) IN GENERAL.—The Commission shall be composed of 15 members, of whom—

(A) five shall be appointed by the President, of whom not more than 3 shall be of the same major political party;

(B) three shall be appointed by the Majority Leader of the Senate;

(C) two shall be appointed by the Minority Leader of the Senate;

(D) three shall be appointed by the Speaker of the House of Representatives; and

(E) two shall be appointed by the Minority Leader of the House of Representatives.

(2) REPRESENTATION.—The Commission members shall be chosen based on their education, training, or experience. In appointing individuals as members of the Commission, the President and the Majority and Minority Leaders of the Senate and the Speaker and Minority Leader of the House of Representatives shall seek to ensure that the membership of the Commission reflects the diversity of individuals with disabilities in the United States.

(b) COMPTROLLER GENERAL.—The Comptroller General shall serve on the Commission as an ex officio member of the Commission to advise and oversee the methodology and approach of the study of the Commission.

(c) PROHIBITION AGAINST OFFICER OR EMPLOYEE.—No officer or employee of any government shall be appointed under subsection (a).

(d) DEADLINE FOR APPOINTMENT; TERM OF APPOINTMENT.—Members of the Commission shall be appointed not later than 60 days after the date of the enactment of this Act. The members shall serve on the Commission for the life of the Commission.

(e) MEETINGS.—The Commission shall locate its headquarters in the District of Columbia, and shall meet at the call of the Chairperson, but not less than 4 times each year during the life of the Commission.

(f) QUORUM.—Ten members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(g) CHAIRPERSON AND VICE CHAIRPERSON.—Not later than 15 days after the members of the Commission are appointed, such members shall designate a Chairperson and Vice Chairperson from among the members of the Commission.

(h) CONTINUATION OF MEMBERSHIP.—If a member of the Commission becomes an officer or employee of any government after appointment to the Commission, the individual may continue as a member until a successor member is appointed.

(i) VACANCIES.—A vacancy on the Commission shall be filled in the manner in which the original appointment was made not later than 30 days after the Commission is given notice of the vacancy.

(j) COMPENSATION.—Members of the Commission shall receive no additional pay, allowances, or benefits by reason of their service on the Commission.

(k) TRAVEL EXPENSES.—Each member of the Commission shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

SEC. 334. STAFF AND SUPPORT SERVICES.

(a) DIRECTOR.—

(1) APPOINTMENT.—Upon consultation with the members of the Commission, the Chairperson shall appoint a Director of the Commission.

(2) COMPENSATION.—The Director shall be paid the rate of basic pay for level V of the Executive Schedule.

(b) STAFF.—With the approval of the Commission, the Director may appoint such personnel as the Director considers appropriate.

(c) APPLICABILITY OF CIVIL SERVICE LAWS.—The staff of the Commission shall be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(d) EXPERTS AND CONSULTANTS.—With the approval of the Commission, the Director may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

(e) STAFF OF FEDERAL 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 in carrying out the duties of the Commission under this subtitle.

(f) OTHER RESOURCES.—The Commission shall have reasonable access to materials, resources, statistical data, and other information from the Library of Congress and agencies and elected representatives of the executive and legislative branches of the Federal Government. The Chairperson of the Commission shall make requests for such access in writing when necessary.

(g) PHYSICAL FACILITIES.—The Administrator of the General Services Administration shall locate suitable office space for the operation of the Commission. The facilities shall serve as the headquarters of the Commission and shall include all necessary equipment and incidentals required for proper functioning of the Commission.

SEC. 335. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may conduct public hearings or forums at the discretion of the Commission, at any time and place the Commission is able to secure facilities and witnesses, for the purpose of carrying out the duties of the Commission under this subtitle.

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

(c) INFORMATION.—The Commission may secure directly from any Federal agency information necessary to enable the Commission to carry out its duties under this subtitle. Upon request of the Chairperson or Vice Chairperson of the Commission, the head of a Federal agency shall furnish the information to the Commission to the extent permitted by law.

(d) GIFTS, BEQUESTS, AND DEVISES.—The Commission may accept, use, and dispose of gifts, bequests, or devises of services or property, both real and personal, for the purpose of aiding or facilitating the work of the Commission. Gifts, bequests, or devises of money and proceeds from sales of other property received as gifts, bequests, or devises shall be deposited in the Treasury and shall be available for disbursement upon order of the Commission.

(e) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other Federal agencies.

SEC. 336. REPORTS.

(a) INTERIM REPORT.—Not later than 1 year prior to the date on which the Commission terminates pursuant to section 337, the Commission shall submit an interim report to the President and to the Congress. The interim report shall contain a detailed statement of the findings and conclusions of the Commission, together with the Commission's recommendations for legislative and administrative action, based on the activities of the Commission.

(b) FINAL REPORT.—Not later than the date on which the Commission terminates, the Commission shall submit to the Congress and to the President a final report containing—

(1) a detailed statement of final findings, conclusions, and recommendations; and

(2) an assessment of the extent to which recommendations of the Commission included in the interim report under subsection (a) have been implemented.

(c) PRINTING AND PUBLIC DISTRIBUTION.—Upon receipt of each report of the Commission under this section, the President shall—

(1) order the report to be printed; and

(2) make the report available to the public upon request.

SEC. 337. TERMINATION.

The Commission shall terminate on the date that is 2 years after the date on which the members of the Commission have met and designated a Chairperson and Vice Chairperson.

TITLE IV—CHILD SUPPORT

Subtitle A—Eligibility for Services; Distribution of Payments

SEC. 401. STATE OBLIGATION TO PROVIDE CHILD SUPPORT ENFORCEMENT SERVICES.

(a) STATE PLAN REQUIREMENTS.—Section 454 (42 U.S.C. 654) is amended—

(1) by striking paragraph (4) and inserting the following new paragraph:

"(4) provide that the State will—

"(A) provide services relating to the establishment of paternity or the establishment, modification, or enforcement of child support obligations, as appropriate, under the plan with respect to—

"(i) each child for whom (I) cash assistance is provided under the State program funded under part A of this title, (II) benefits or services are provided under the State program funded under part B of this title, or (III) medical assistance is provided under the State plan approved under

title XIX, unless the State agency administering the plan determines (in accordance with paragraph (28)) that it is against the best interests of the child to do so; and

"(ii) any other child, if an individual applies for such services with respect to the child; and

"(B) enforce any support obligation established with respect to—

"(i) a child with respect to whom the State provides services under the plan; or

"(ii) the custodial parent of such a child."; and

(2) in paragraph (6)—

(A) by striking "provide that" and inserting "provide that—";

(B) by striking subparagraph (A) and inserting the following new subparagraph:

"(A) services under the plan shall be made available to nonresidents on the same terms as to residents;";

(C) in subparagraph (B), by inserting "on individuals not receiving assistance under any State program funded under part A" after "such services shall be imposed";

(D) in each of subparagraphs (B), (C), (D), and (E)—

(i) by indenting the subparagraph in the same manner as, and aligning the left margin of the subparagraph with the left margin of, the matter inserted by subparagraph (B) of this paragraph; and

(ii) by striking the final comma and inserting a semicolon; and

(E) in subparagraph (E), by indenting each of clauses (i) and (ii) 2 additional ems.

(b) CONFORMING AMENDMENTS.—

(1) Section 452(b) (42 U.S.C. 652(b)) is amended by striking "454(6)" and inserting "454(4)".

(2) Section 452(g)(2)(A) (42 U.S.C. 652(g)(2)(A)) is amended by striking "454(6)" each place it appears and inserting "454(4)(A)(ii)".

(3) Section 466(a)(3)(B) (42 U.S.C. 666(a)(3)(B)) is amended by striking "in the case of overdue support which a State has agreed to collect under section 454(6)" and inserting "in any other case".

(4) Section 466(e) (42 U.S.C. 666(e)) is amended by striking "paragraph (4) or (6) of section 454" and inserting "section 454(4)".

SEC. 402. DISTRIBUTION OF CHILD SUPPORT COLLECTIONS.

(a) IN GENERAL.—Section 457 (42 U.S.C. 657) is amended to read as follows:

"SEC. 457. DISTRIBUTION OF COLLECTED SUPPORT.

"(a) IN GENERAL.—An amount collected on behalf of a family as support by a State pursuant to a plan approved under this part shall be distributed as follows:

"(1) FAMILIES RECEIVING CASH ASSISTANCE.—In the case of a family receiving cash assistance from the State, the State shall—

"(A) retain, or distribute to the family, the State share of the amount so collected; and

"(B) pay to the Federal Government the Federal share of the amount so collected.

"(2) FAMILIES THAT FORMERLY RECEIVED CASH ASSISTANCE.—In the case of a family that formerly received cash assistance from the State:

"(A) CURRENT SUPPORT PAYMENTS.—To the extent that the amount so collected does not exceed the amount required to be paid to the family for the month in which collected, the State shall distribute the amount so collected to the family.

"(B) PAYMENTS OF ARREARAGES.—To the extent that the amount so collected exceeds the amount required to be paid to the family for the month in which collected, the State shall distribute the amount so collected as follows:

"(i) DISTRIBUTION TO THE FAMILY TO SATISFY ARREARAGES THAT ACCRUED BEFORE OR AFTER THE FAMILY RECEIVED CASH ASSISTANCE.—The State shall distribute the amount so collected to the family to the extent necessary to satisfy any support arrearages with respect to the family that accrued before or after the family received cash assistance from the State.

"(ii) REIMBURSEMENT OF GOVERNMENTS FOR ASSISTANCE PROVIDED TO THE FAMILY.—To the extent that clause (i) does not apply to the amount, the State shall retain the State share of the amount so collected, and pay to the Federal Government the Federal share of the amount so collected, to the extent necessary to reimburse amounts paid to the family as cash assistance from the State.

"(iii) DISTRIBUTION OF THE REMAINDER TO THE FAMILY.—To the extent that neither clause (i) nor clause (ii) applies to the amount so collected, the State shall distribute the amount to the family.

"(3) FAMILIES THAT NEVER RECEIVED CASH ASSISTANCE.—In the case of any other family, the State shall distribute the amount so collected to the family.

"(b) DEFINITIONS.—As used in subsection (a):

"(1) CASH ASSISTANCE.—The term 'cash assistance from the State' means—

"(A) cash assistance under the State program funded under part A or under the State plan approved under part A of this title (as in effect before October 1, 1995); or

"(B) cash benefits under the State program funded under part B or under the State plan approved under part B or E of this title (as in effect before October 1, 1995).

"(2) FEDERAL SHARE.—The term 'Federal share' means, with respect to an amount collected by the State to satisfy a support obligation owed to a family for a time period—

"(A) the greatest Federal medical assistance percentage in effect for the State for fiscal year 1995 or any succeeding fiscal year; or

"(B) if support is not owed to the family for any month for which the family received aid to families with dependent children under the State plan approved under part A of this title (as in effect before October 1, 1995), the Federal reimbursement percentage for the fiscal year in which the time period occurs.

"(3) FEDERAL MEDICAL ASSISTANCE PERCENTAGE.—The term 'Federal medical assistance percentage' means—

"(A) the Federal medical assistance percentage (as defined in section 1905(b)) in the case of any State for which subparagraph (B) does not apply; or

"(B) the Federal medical assistance percentage (as defined in section 1118), in the case of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

"(4) FEDERAL REIMBURSEMENT PERCENTAGE.—The term 'Federal reimbursement percentage' means, with respect to a fiscal year—

"(A) the total amount paid to the State under section 403 for the fiscal year; divided by

"(B) the total amount expended by the State to carry out the State program under part A during the fiscal year.

"(5) STATE SHARE.—The term 'State share' means 100 percent minus the Federal share.

"(c) CONTINUATION OF SERVICES FOR FAMILIES CEASING TO RECEIVE ASSISTANCE UNDER THE STATE PROGRAM FUNDED UNDER PART A.—When a family with respect to which services are provided under a State plan approved under this part ceases to receive assistance under the State program funded under part A, the State shall provide appropriate notice to the family and continue to provide such services, subject to the same conditions and on the same basis as in the case of individuals to whom services are furnished under section 454, except that an application or other request to continue services shall not be required of such a family and section 454(6)(B) shall not apply to the family.".

(b) CLERICAL AMENDMENTS.—Section 454 (42 U.S.C. 654) is amended—

(1) in paragraph (11)—

(A) by striking "(11)" and inserting "(11)(A)"; and

(B) by inserting after the semicolon "and"; and

(2) by redesignating paragraph (12) as subparagraph (B) of paragraph (11).

(c) EFFECTIVE DATE.—

(1) GENERAL RULE.—Except as provided in paragraphs (2) and (3), the amendment made by subsection (a) shall become effective on October 1, 1999.

(2) EARLIER EFFECTIVE DATE FOR RULES RELATING TO DISTRIBUTION OF SUPPORT COLLECTED FOR FAMILIES RECEIVING CASH ASSISTANCE.—Section 457(a)(1) of the Social Security Act, as added by the amendment made by subsection (a), shall become effective on October 1, 1995.

(3) CLERICAL AMENDMENTS.—The amendments made by subsection (b) shall become effective on October 1, 1995.

SEC. 403. RIGHTS TO NOTIFICATION AND HEARINGS.

(a) IN GENERAL.—Section 454 (42 U.S.C. 654), as amended by section 402(b), is amended by inserting after paragraph (11) the following new paragraph:

"(12) establish procedures to provide that—

"(A) individuals who are applying for or receiving services under this part, or are parties to cases in which services are being provided under this part—

"(i) receive notice of all proceedings in which support obligations might be established or modified; and

"(ii) receive a copy of any order establishing or modifying a child support obligation, or (in the case of a petition for modification) a notice of determination that there should be no change in the amount of the child support award, within 14 days after issuance of such order or determination; and

"(B) individuals applying for or receiving services under this part have access to a fair hearing or other formal complaint procedure that meets standards established by the Secretary and ensures prompt consideration and resolution of complaints (but the resort to such procedure shall not stay the enforcement of any support order);".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on October 1, 1997.

SEC. 404. PRIVACY SAFEGUARDS.

(a) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654) is amended—

(1) by striking "and" at the end of paragraph (23);

(2) by striking the period at the end of paragraph (24) and inserting "; and"; and

(3) by adding after paragraph (24) the following new paragraph:

"(25) will have in effect safeguards, applicable to all confidential information handled by the State agency, that are designed to protect the privacy rights of the parties, including—

"(A) safeguards against unauthorized use or disclosure of information relating to proceedings or actions to establish paternity, or to establish or enforce support;

"(B) prohibitions against the release of information on the whereabouts of 1 party to another party against whom a protective order with respect to the former party has been entered; and

"(C) prohibitions against the release of information on the whereabouts of 1 party to another party if the State has reason to believe that the release of the information may result in physical or emotional harm to the former party.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on October 1, 1997.

Subtitle B—Locate and Case Tracking

SEC. 411. STATE CASE REGISTRY.

Section 454A, as added by section 445(a)(2) of this Act, is amended by adding at the end the following new subsections:

"(e) STATE CASE REGISTRY.—

"(1) CONTENTS.—The automated system required by this section shall include a registry (which shall be known as the 'State case registry') that contains records with respect to—

"(A) each case in which services are being provided by the State agency under the State plan approved under this part; and

"(B) each support order established or modified in the State on or after October 1, 1998.

"(2) LINKING OF LOCAL REGISTRIES.—The State case registry may be established by linking local case registries of support orders through an automated information network, subject to this section.

"(3) USE OF STANDARDIZED DATA ELEMENTS.—Such records shall use standardized data elements for both parents (such as names, social security numbers and other uniform identification numbers, dates of birth, and case identification numbers), and contain such other information (such as on-case status) as the Secretary may require.

"(4) PAYMENT RECORDS.—Each case record in the State case registry with respect to which services are being provided under the State plan approved under this part and with respect to which a support order has been established shall include a record of—

"(A) the amount of monthly (or other periodic) support owed under the order, and other amounts (including arrearages, interest or late payment penalties, and fees) due or overdue under the order;

"(B) any amount described in subparagraph (A) that has been collected;

"(C) the distribution of such collected amounts;

"(D) the birth date of any child for whom the order requires the provision of support; and

"(E) the amount of any lien imposed with respect to the order pursuant to section 466(a)(4).

"(5) UPDATING AND MONITORING.—The State agency operating the automated system required by this section shall promptly establish and maintain, and regularly monitor, case records in the State case registry with respect to which services are being provided under the State plan approved under this part, on the basis of—

"(A) information on administrative actions and administrative and judicial proceedings and orders relating to paternity and support;

"(B) information obtained from comparison with Federal, State, or local sources of information;

"(C) information on support collections and distributions; and

"(D) any other relevant information.

"(f) INFORMATION COMPARISONS AND OTHER DISCLOSURES OF INFORMATION.—The State shall use the automated system required by this section to extract information from (at such times, and in such standardized format or formats, as may be required by the Secretary), to share and compare information with, and to receive information from, other data bases and information comparison services, in order to obtain (or provide) information necessary to enable the State agency (or the Secretary or other State or Federal agencies) to carry out this part, subject to section 6103 of the Internal Revenue Code of 1986. Such information comparison activities shall include the following:

"(1) FEDERAL CASE REGISTRY OF CHILD SUPPORT ORDERS.—Furnishing to the Federal Case Registry of Child Support Orders established under section 453(h) (and update as necessary, with information including notice of expiration of orders) the minimum amount of information on child support cases recorded in the State case registry that is necessary to operate the registry (as specified by the Secretary in regulations).

"(2) FEDERAL PARENT LOCATOR SERVICE.—Exchanging information with the Federal Parent Locator Service for the purposes specified in section 453.

"(3) TEMPORARY FAMILY ASSISTANCE AND MEDICAID AGENCIES.—Exchanging information with State agencies (of the State and of other States) administering programs funded under part A, programs operated under State plans under title XIX, and other programs designated by the Secretary, as necessary to perform State agency responsibilities under this part and under such programs.

"(4) INTRASTATE AND INTERSTATE INFORMATION COMPARISONS.—Exchanging information with other agencies of the State, agencies of other States, and interstate information networks, as necessary and appropriate to carry out (or assist other States to carry out) the purposes of this part.".

SEC. 412. COLLECTION AND DISBURSEMENT OF SUPPORT PAYMENTS.

(a) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by section 404(a) of this Act, is amended—

(1) by striking "and" at the end of paragraph (24);

(2) by striking the period at the end of paragraph (25) and inserting "; and"; and

(3) by adding after paragraph (25) the following new paragraph:

"(26) provide that, on and after October 1, 1998, the State agency will—

"(A) operate a State disbursement unit in accordance with section 454B; and

"(B) have sufficient State staff (consisting of State employees), and (at State option) contractors reporting directly to the State agency, to—

"(i) monitor and enforce support collections through the unit (including carrying out the automated data processing responsibilities described in section 454A(g)); and

"(ii) take the actions described in section 466(c)(1) in appropriate cases.".

(b) ESTABLISHMENT OF STATE DISBURSEMENT UNIT.—Part D of title IV (42 U.S.C. 651–669), as amended by section 445(a)(2) of this Act, is amended by inserting after section 454A the following new section:

"SEC. 454B. COLLECTION AND DISBURSEMENT OF SUPPORT PAYMENTS.

"(a) STATE DISBURSEMENT UNIT.—

"(1) IN GENERAL.—In order for a State to meet the requirements of this section, the State agency must establish and operate a unit (which shall be known as the 'State disbursement unit') for the collection and disbursement of payments under support orders in all cases being enforced by the State pursuant to section 454(4).

"(2) OPERATION.—The State disbursement unit shall be operated—

"(A) directly by the State agency (or 2 or more State agencies under a regional cooperative agreement), or (to the extent appropriate) by a contractor responsible directly to the State agency; and

"(B) in coordination with the automated system established by the State pursuant to section 454A.

"(3) LINKING OF LOCAL DISBURSEMENT UNITS.—The State disbursement unit may be established by linking local disbursement units through an automated information network, subject to this section. The Secretary must agree that the system will not cost more nor take more time to establish or operate than a centralized system. In addition, employers shall be given 1 location to which income withholding is sent.

"(b) REQUIRED PROCEDURES.—The State disbursement unit shall use automated procedures, electronic processes, and computer-driven technology to the maximum extent feasible, efficient, and economical, for the collection and disbursement of support payments, including procedures—

"(1) for receipt of payments from parents, employers, and other States, and for disbursements to custodial parents and other obligees, the State agency, and the agencies of other States;

"(2) for accurate identification of payments;

"(3) to ensure prompt disbursement of the custodial parent's share of any payment; and

"(4) to furnish to any parent, upon request, timely information on the current status of support payments under an order requiring payments to be made by or to the parent.

"(c) TIMING OF DISBURSEMENTS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the State disbursement unit shall distribute all amounts payable under section 457(a) within 2 business days after receipt from the employer or other source of periodic income, if sufficient information identifying the payee is provided.

"(2) PERMISSIVE RETENTION OF ARREARAGES.—The State disbursement unit may delay the distribution of collections toward arrearages until the resolution of any timely appeal with respect to such arrearages.

"(d) BUSINESS DAY DEFINED.—As used in this section, the term 'business day' means a day on which State offices are open for regular business.".

(c) USE OF AUTOMATED SYSTEM.—Section 454A, as added by section 445(a)(2) of this Act and as amended by section 411 of this Act, is amended by adding at the end the following new subsection:

"(g) COLLECTION AND DISTRIBUTION OF SUPPORT PAYMENTS.—

"(1) IN GENERAL.—The State shall use the automated system required by this section, to the maximum extent feasible, to assist and facilitate the collection and disbursement of support payments through the State disbursement unit operated under section 454B, through the performance of functions, including, at a minimum—

"(A) transmission of orders and notices to employers (and other debtors) for the withholding of wages and other income—

"(i) within 2 business days after receipt from a court, another State, an employer, the Federal Parent Locator Service, or another source recognized by the State of notice of, and the income source subject to, such withholding; and

"(ii) using uniform formats prescribed by the Secretary;

"(B) ongoing monitoring to promptly identify failures to make timely payment of support; and

"(C) automatic use of enforcement procedures (including procedures authorized pursuant to section 466(c)) where payments are not timely made.

"(2) BUSINESS DAY DEFINED.—As used in paragraph (1), the term 'business day' means a day on which State offices are open for regular business.".

(d) EFFECTIVE DATE.—The amendments made by this section shall become effective on October 1, 1998.

SEC. 413. STATE DIRECTORY OF NEW HIRES.

(a) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by sections 404(a) and 412(a) of this Act, is amended—

(1) by striking "and" at the end of paragraph (25);

(2) by striking the period at the end of paragraph (26) and inserting "; and"; and

(3) by adding after paragraph (26) the following new paragraph:

"(27) provide that, on and after October 1, 1997, the State will operate a State Directory of New Hires in accordance with section 453A.".

(b) STATE DIRECTORY OF NEW HIRES.—Part D of title IV (42 U.S.C. 651–669) is amended by inserting after section 453 the following new section:

"SEC. 453A. STATE DIRECTORY OF NEW HIRES.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—Not later than October 1, 1997, each State shall establish an automated directory (to be known as the 'State Directory of New Hires') which shall contain information supplied in accordance with subsection (b) by employers on each newly hired employee.

"(2) DEFINITIONS.—As used in this section:

"(A) EMPLOYEE.—The term 'employee'—

"(i) means an individual who is an employee within the meaning of chapter 24 of the Internal Revenue Code of 1986; and

"(ii) does not include an employee of a Federal or State agency performing intelligence or counterintelligence functions, if the head of such agency has determined that reporting pursuant to paragraph (1) with respect to the employee could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission.

"(B) EMPLOYER.—The term 'employer' includes—

"(i) any governmental entity, and

"(ii) any labor organization.

"(C) LABOR ORGANIZATION.—The term 'labor organization' shall have the meaning given such term in section 2(5) of the National Labor Relations Act, and includes any entity (also known as a 'hiring hall') which is used by the organization and an employer to carry out requirements described in section 8(f)(3) of such Act of an agreement between the organization and the employer.

"(b) EMPLOYER INFORMATION.—

"(1) REPORTING REQUIREMENT.—Each employer shall furnish to the Directory of New Hires of the State in which a newly hired employee works, a report that contains the name, address, and social security number of the employee, and the name of, and identifying number assigned under section 6109 of the Internal Revenue Code of 1986 to, the employer.

"(2) TIMING OF REPORT.—The report required by paragraph (1) with respect to an employee shall be made not later than the later of—

"(A) 15 days after the date the employer hires the employee; or

"(B) in the case of an employer that reports by magnetic or electronic means, the 1st business day of the week following the date on which the employee 1st receives wages or other compensation from the employer.

"(c) REPORTING FORMAT AND METHOD.—Each report required by subsection (b) shall be made on a W-4 form or the equivalent, and may be transmitted by 1st class mail, magnetically, or electronically.

"(d) CIVIL MONEY PENALTIES ON NONCOMPLYING EMPLOYERS.—

"(1) IN GENERAL.—An employer that fails to comply with subsection (b) with respect to an employee shall be subject to a civil money penalty of—

"(A) $25; or

"(B) $500 if, under State law, the failure is the result of a conspiracy between the employer and the employee to not supply the required report or to supply a false or incomplete report.

"(2) APPLICABILITY OF SECTION 1128.—Section 1128 (other than subsections (a) and (b) of such section) shall apply to a civil money penalty under paragraph (1) of this subsection in the same manner as such section applies to a civil money penalty or proceeding under section 1128A(a).

"(e) ENTRY OF EMPLOYER INFORMATION.—Information shall be entered into the data base maintained by the State Directory of New Hires within 5 business days of receipt from an employer pursuant to subsection (b).

"(f) INFORMATION COMPARISONS.—

"(1) IN GENERAL.—Not later than October 1, 1998, an agency designated by the State shall, directly or by contract, conduct automated comparisons of the social security numbers reported by employers pursuant to subsection (b) and the social security numbers appearing in the records of the State case registry for cases being enforced under the State plan.

"(2) NOTICE OF MATCH.—When an information comparison conducted under paragraph (1) reveals a match with respect to the social security number of an individual required to provide support under a support order, the State Directory of New Hires shall provide the agency administering the State plan approved under this part of the appropriate State with the name, address, and social security number of the employee to whom the social security number is assigned, and the name of, and identifying number assigned under section 6109 of the Internal Revenue Code of 1986 to, the employer.

"(g) TRANSMISSION OF INFORMATION.—

"(1) TRANSMISSION OF WAGE WITHHOLDING NOTICES TO EMPLOYERS.—Within 2 business days after the date information regarding a newly hired employee is entered into the State Directory of New Hires, the State agency enforcing the employee's child support obligation shall transmit a notice to the employer of the employee directing the employer to withhold from the wages of the employee an amount equal to the monthly (or other periodic) child support obligation of the employee, unless the employee's wages are not subject to withholding pursuant to section 466(b)(3).

"(2) TRANSMISSIONS TO THE NATIONAL DIRECTORY OF NEW HIRES.—

"(A) NEW HIRE INFORMATION.—Within 2 business days after the date information regarding a newly hired employee is entered into the State Directory of New Hires, the State Directory of New Hires shall furnish the information to the National Directory of New Hires.

"(B) WAGE AND UNEMPLOYMENT COMPENSATION INFORMATION.—The State Directory of New Hires shall, on a quarterly basis, furnish to the National Directory of New Hires extracts of the reports required under section 303(a)(6) to be made to the Secretary of Labor concerning the wages and unemployment compensation paid to individuals, by such dates, in such format, and containing such information as the Secretary of Health and Human Services shall specify in regulations.

"(3) BUSINESS DAY DEFINED.—As used in this subsection, the term 'business day' means a day on which State offices are open for regular business.

"(h) OTHER USES OF NEW HIRE INFORMATION.—

"(1) LOCATION OF CHILD SUPPORT OBLIGORS.—The agency administering the State plan approved under this part shall use information received pursuant to subsection (f)(2) to locate individuals for purposes of establishing paternity and establishing, modifying, and enforcing child support obligations.

"(2) VERIFICATION OF ELIGIBILITY FOR CERTAIN PROGRAMS.—A State agency responsible for administering a program specified in section 1137(b) shall have access to information reported by employers pursuant to subsection (b) of this section for purposes of verifying eligibility for the program.

"(3) ADMINISTRATION OF EMPLOYMENT SECURITY AND WORKERS' COMPENSATION.—State agencies operating employment security and workers' compensation programs shall have access to information reported by employers pursuant to subsection (b) for the purposes of administering such programs.".

SEC. 414. AMENDMENTS CONCERNING INCOME WITHHOLDING.

(a) MANDATORY INCOME WITHHOLDING.—

(1) IN GENERAL.—Section 466(a)(1) (42 U.S.C. 666(a)(1)) is amended to read as follows:

"(1)(A) Procedures described in subsection (b) for the withholding from income of amounts payable as support in cases subject to enforcement under the State plan.

"(B) Procedures under which the wages of a person with a support obligation imposed by a support order issued (or modified) in the State before October 1, 1996, if not otherwise subject to withholding under subsection (b), shall become subject to withholding as provided in subsection (b) if arrearages occur, without the need for a judicial or administrative hearing.".

(2) CONFORMING AMENDMENTS.—

(A) Section 466(a)(8)(B)(iii) (42 U.S.C. 666(a)(8)(B)(iii)) is amended—

(i) by striking "(5),"; and

(ii) by inserting ", and, at the option of the State, the requirements of subsection (b)(5)" before the period.

(B) Section 466(b) (42 U.S.C. 666(b)) is amended in the matter preceding paragraph (1), by striking "subsection (a)(1)" and inserting "subsection (a)(1)(A)".

(C) Section 466(b)(4) (42 U.S.C. 666(b)(4)) is amended to read as follows:

"(4)(A) Such withholding must be carried out in full compliance with all procedural due process requirements of the State, and the State must send notice to each absent parent to whom paragraph (1) applies—

"(i) that the withholding has commenced; and

"(ii) of the procedures to follow if the absent parent desires to contest such withholding on the grounds that the withholding or the amount withheld is improper due to a mistake of fact.

"(B) The notice under subparagraph (A) shall include the information provided to the employer under paragraph (6)(A).".

(D) Section 466(b)(5) (42 U.S.C. 666(b)(5)) is amended by striking all that follows "administered by" and inserting "the State through the State disbursement unit established pursuant to section 454B, in accordance with the requirements of section 454B.".

(E) Section 466(b)(6)(A) (42 U.S.C. 666(b)(6)(A)) is amended—

(i) in clause (i), by striking "to the appropriate agency" and all that follows and inserting "to the State disbursement unit within 2 business days after the date the amount would (but for this subsection) have been paid or credited to the employee, for distribution in accordance with this part.";

(ii) in clause (ii), by inserting "be in a standard format prescribed by the Secretary, and" after "shall"; and

(iii) by adding at the end the following new clause:

"(iii) As used in this subparagraph, the term 'business day' means a day on which State offices are open for regular business.".

(F) Section 466(b)(6)(D) (42 U.S.C. 666(b)(6)(D)) is amended by striking "any employer" and all that follows and inserting "any employer who—

"(i) discharges from employment, refuses to employ, or takes disciplinary action against any absent parent subject to wage withholding required by this subsection because of the existence of such withholding and the obligations or additional obligations which it imposes upon the employer; or

"(ii) fails to withhold support from wages, or to pay such amounts to the State disbursement unit in accordance with this subsection.".

(G) Section 466(b) (42 U.S.C. 666(b)) is amended by adding at the end the following new paragraph:

"(11) Procedures under which the agency administering the State plan approved under this part may execute a withholding order through electronic means and without advance notice to the obligor.".

(b) CONFORMING AMENDMENT.—Section 466(c) (42 U.S.C. 666(c)) is repealed.

SEC. 415. LOCATOR INFORMATION FROM INTERSTATE NETWORKS.

Section 466(a) (42 U.S.C. 666(a)) is amended by adding at the end the following new paragraph:

"(12) Procedures to ensure that all Federal and State agencies conducting activities under this part have access to any system used by the State to locate an individual for purposes relating to motor vehicles or law enforcement.".

SEC. 416. EXPANSION OF THE FEDERAL PARENT LOCATOR SERVICE.

(a) EXPANDED AUTHORITY TO LOCATE INDIVIDUALS AND ASSETS.—Section 453 (42 U.S.C. 653) is amended—

(1) in subsection (a), by striking all that follows "subsection (c))" and inserting ", for the purpose of establishing parentage, establishing, setting the amount of, modifying, or enforcing child support obligations, or enforcing child visitation orders—

"(1) information on, or facilitating the discovery of, the location of any individual—

"(A) who is under an obligation to pay child support or provide child visitation rights;

"(B) against whom such an obligation is sought;

"(C) to whom such an obligation is owed,

including the individual's social security number (or numbers), most recent address, and the name, address, and employer identification number of the individual's employer;

"(2) information on the individual's wages (or other income) from, and benefits of, employment (including rights to or enrollment in group health care coverage); and

"(3) information on the type, status, location, and amount of any assets of, or debts owed by or to, any such individual."; and

(2) in subsection (b), in the matter preceding paragraph (1), by striking "social security" and all that follows through "absent parent" and inserting "information described in subsection (a)".

(b) AUTHORIZED PERSON FOR INFORMATION REGARDING VISITATION RIGHTS.—Section 453(c) (42 U.S.C. 653(c)) is amended—

(1) in paragraph (1), by striking "support" and inserting "support or to seek to enforce orders providing child visitation rights";

(2) in paragraph (2), by striking ", or any agent of such court; and" and inserting "or to issue an order against a resident parent for visitation rights, or any agent of such court;";

(3) by striking the period at the end of paragraph (3) and inserting "; and"; and

(4) by adding at the end the following new paragraph:

"(4) the absent parent, only with regard to a court order against a resident parent for child visitation rights.".

(c) REIMBURSEMENT FOR INFORMATION FROM FEDERAL AGENCIES.—Section 453(e)(2) (42 U.S.C. 653(e)(2)) is amended in the 4th sentence by inserting "in an amount which the Secretary determines to be reasonable payment for the information exchange (which amount shall not include payment for the costs of obtaining, compiling, or maintaining the information)" before the period.

(d) REIMBURSEMENT FOR REPORTS BY STATE AGENCIES.—Section 453 (42 U.S.C. 653) is amended by adding at the end the following new subsection:

"(g) The Secretary may reimburse Federal and State agencies for the costs incurred by such entities in furnishing information requested by the Secretary under this section in an amount which the Secretary determines to be reasonable payment for the information exchange (which amount shall not include payment for the costs of obtaining, compiling, or maintaining the information).".

(e) TECHNICAL AMENDMENTS.—

(1) Sections 452(a)(9), 453(a), 453(b), 463(a), 463(e), and 463(f) (42 U.S.C. 652(a)(9), 653(a), 653(b), 663(a), 663(e), and 663(f)) are each amended by inserting "Federal" before "Parent" each place such term appears.

(2) Section 453 (42 U.S.C. 653) is amended in the heading by adding "FEDERAL" before "PARENT".

(f) NEW COMPONENTS.—Section 453 (42 U.S.C. 653), as amended by subsection (d) of this section, is amended by adding at the end the following new subsection:

"(h)(1) Not later than October 1, 1998, in order to assist States in administering programs under State plans approved under this part and programs funded under part A, and for the other purposes specified in this section, the Secretary shall establish and maintain in the Federal Parent Locator Service an automated registry (which shall be known as the 'Federal Case Registry of Child Support Orders'), which shall contain abstracts of support orders and other information described in paragraph (2) with respect to each case in each State case registry maintained pursuant to section 454A(e), as furnished (and regularly updated), pursuant to section 454A(f), by State agencies administering programs under this part.

"(2) The information referred to in paragraph (1) with respect to a case shall be such information as the Secretary may specify in regulations (including the names, social security numbers or other uniform identification numbers, and State case identification numbers) to identify the individuals who owe or are owed support (or with respect to or on behalf of whom support obligations are sought to be established), and the State or States which have the case.

"(i)(1) In order to assist States in administering programs under State plans approved under this part and programs funded under part A, and for the other purposes specified in this section, the Secretary shall, not later than October 1, 1996, establish and maintain in the Federal Parent Locator Service an automated directory to be known as the National Directory of New Hires, which shall contain the information supplied pursuant to section 453A(g)(2).

"(2) Information shall be entered into the data base maintained by the National Directory of New Hires within 2 business days of receipt pursuant to section 453A(g)(2).

"(3) The Secretary of the Treasury shall have access to the information in the National Directory of New Hires for purposes of administering section 32 of the Internal Revenue Code of 1986, or the advance payment of the earned income tax credit under section 3507 of such Code, and verifying a claim with respect to employment in a tax return.

"(j)(1)(A) The Secretary shall transmit information on individuals and employers maintained under this section to the Social Security Administration to the extent necessary for verification in accordance with subparagraph (B).

"(B) The Social Security Administration shall verify the accuracy of, correct, or supply to the extent possible, and report to the Secretary, the following information supplied by the Secretary pursuant to subparagraph (A):

"(i) The name, social security number, and birth date of each such individual.

"(ii) The employer identification number of each such employer.

"(2) For the purpose of locating individuals in a paternity establishment case or a case involving the establishment, modification, or enforcement of a support order, the Secretary shall—

"(A) compare information in the National Directory of New Hires against information in the support case abstracts in the Federal Case Registry of Child Support Orders not less often than every 2 business days; and

"(B) within 2 such days after such a comparison reveals a match with respect to an individual, report the information to the State agency responsible for the case.

"(3) To the extent and with the frequency that the Secretary determines to be effective in assisting States to carry out their responsibilities under programs operated under this part and programs funded under part A, the Secretary shall—

"(A) compare the information in each component of the Federal Parent Locator Service maintained under this section against the information in each other such component (other than the comparison required by paragraph (2)), and report instances in which such a comparison reveals a match with respect to an individual to State agencies operating such programs; and

"(B) disclose information in such registries to such State agencies.

"(4) The National Directory of New Hires shall provide the Commissioner of Social Security with all information in the National Directory, which shall be used to determine the accuracy of payments under the supplemental security income program under title XVI and in connection with benefits under title II.

"(5) The Secretary may provide access to information reported by employers pursuant to section 453A(b) for research purposes found by the Secretary to be likely to contribute to achieving the purposes of part A or this part, but without personal identifiers.

"(k)(1) The Secretary shall reimburse the Commissioner of Social Security, at a rate negotiated between the Secretary and the Commissioner, for the costs incurred by the Commissioner in performing the verification services described in subsection (j).

"(2) The Secretary shall reimburse costs incurred by State directories of new hires in furnishing information as required by subsection (j)(3), at rates which the Secretary determines to be reasonable (which rates shall not include payment for the costs of obtaining, compiling, or maintaining such information).

"(3) A State or Federal agency that receives information from the Secretary pursuant to this section shall reimburse the Secretary for costs incurred by the Secretary in furnishing the information, at rates which the Secretary determines to be reasonable (which rates shall include payment for the costs of obtaining, verifying, maintaining, and comparing the information).

"(l) Information in the Federal Parent Locator Service, and information resulting from comparisons using such information, shall not be used or disclosed except as expressly provided in this section, subject to section 6103 of the Internal Revenue Code of 1986.

"(m) The Secretary shall establish and implement safeguards with respect to the entities established under this section designed to—

"(1) ensure the accuracy and completeness of information in the Federal Parent Locator Service; and

"(2) restrict access to confidential information in the Federal Parent Locator Service to authorized persons, and restrict use of such information to authorized purposes.".

(f) QUARTERLY WAGE REPORTING.—Section 1137(a)(3) (42 U.S.C. 1320b–7(a)(3)) is amended—

(1) by inserting "(including governmental entities)" after "employers"; and

(2) by inserting ", and except that no report shall be filed with respect to an employee of a Federal or State agency performing intelligence or counterintelligence functions, if the head of such agency has determined that filing such a report could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission" after "paragraph (2)".

(g) CONFORMING AMENDMENTS.—

(1) TO PART D OF TITLE IV OF THE SOCIAL SECURITY ACT.—Section 454(8)(B) (42 U.S.C. 654(8)(B)) is amended to read as follows:

"(B) the Federal Parent Locator Service established under section 453;".

(2) TO FEDERAL UNEMPLOYMENT TAX ACT.—Section 3304(a)(16) of the Internal Revenue Code of 1986 is amended—

(A) by striking "Secretary of Health, Education, and Welfare" each place such term appears and inserting "Secretary of Health and Human Services";

(B) in subparagraph (B), by striking "such information" and all that follows and inserting "information furnished under subparagraph (A) or (B) is used only for the purposes authorized under such subparagraph;";

(C) by striking "and" at the end of subparagraph (A);

(D) by redesignating subparagraph (B) as subparagraph (C); and

(E) by inserting after subparagraph (A) the following new subparagraph:

"(B) wage and unemployment compensation information contained in the records of such agency shall be furnished to the Secretary of Health and Human Services (in accordance with regulations promulgated by such Secretary) as necessary for the purposes of the National Directory of New Hires established under section 453(i) of the Social Security Act, and".

(3) TO STATE GRANT PROGRAM UNDER TITLE III OF THE SOCIAL SECURITY ACT.—Section 303(a) (42 U.S.C. 503(a)) is amended—

(A) by striking "and" at the end of paragraph (8);

(B) by striking "and" at the end of paragraph (9);

(C) by striking the period at the end of paragraph (10) and inserting "; and"; and

(D) by adding after paragraph (10) the following new paragraph:

"(11) The making of quarterly electronic reports, at such dates, in such format, and containing such information, as required by the Secretary of Health and Human Services under section 453(i)(3), and compliance with such provisions as such Secretary may find necessary to ensure the correctness and verification of such reports.".

SEC. 417. COLLECTION AND USE OF SOCIAL SECURITY NUMBERS FOR USE IN CHILD SUPPORT ENFORCEMENT.

(a) STATE LAW REQUIREMENT.—Section 466(a) (42 U.S.C. 666(a)), as amended by section 415 of this Act, is amended by adding at the end the following new paragraph:

"(13) Procedures requiring that the social security number of—

"(A) any applicant for a professional license, commercial driver's license, occupational license, or marriage license be recorded on the application;

"(B) any individual who is subject to a divorce decree, support order, or paternity determination or acknowledgment be placed in the records relating to the matter; and

"(C) any individual who has died be placed in the records relating to the death and be recorded on the death certificate.".

(b) CONFORMING AMENDMENTS.—Section 205(c)(2)(C) (42 U.S.C. 405(c)(2)(C)), as amended by section 321(a)(9) of the Social Security Independence and Program Improvements Act of 1994, is amended—

(1) in clause (i), by striking "may require" and inserting "shall require";

(2) in clause (ii), by inserting after the 1st sentence the following: "In the administration of any law involving the issuance of a marriage certificate or license, each State shall require each party named in the certificate or license to furnish to the State (or political subdivision thereof), or any State agency having administrative responsibility for the law involved, the social security number of the party.";

(3) in clause (vi), by striking "may" and inserting "shall"; and

(4) by adding at the end the following new clauses:

"(x) An agency of a State (or a political subdivision thereof) charged with the administration of any law concerning the issuance or renewal of a license, certificate, permit, or other authorization to engage in a profession, an occupation, or a commercial activity shall require all applicants for issuance or renewal of the license, certificate, permit, or other authorization to provide the applicant's social security number to the agency for the purpose of administering such laws, and for the purpose of responding to requests for information from an agency operating pursuant to part D of title IV.

"(xi) All divorce decrees, support orders, and paternity determinations issued, and all paternity acknowledgments made, in each State shall include the social security number of each party to the decree, order, determination, or acknowledgement in the records relating to the matter.".

Subtitle C—Streamlining and Uniformity of Procedures

SEC. 421. ADOPTION OF UNIFORM STATE LAWS.

Section 466 (42 U.S.C. 666) is amended by adding at the end the following new subsection:

"(f)(1) In order to satisfy section 454(20)(A) on or after January 1, 1997, each State must have in effect the Uniform Interstate Family Support Act, as approved by the National Conference of Commissioners on Uniform State Laws in August 1992 (with the modifications and additions specified in this subsection), and the procedures required to implement such Act.

"(2) The State law enacted pursuant to paragraph (1) may be applied to any case involving an order which is established or modified in a State and which is sought to be modified or enforced in another State.

"(3) The State law enacted pursuant to paragraph (1) of this subsection shall contain the following provision in lieu of section 611(a)(1) of the Uniform Interstate Family Support Act:

"'(1) the following requirements are met:

"'(i) the child, the individual obligee, and the obligor—

"'(I) do not reside in the issuing State; and

"'(II) either reside in this State or are subject to the jurisdiction of this State pursuant to section 201; and

"'(ii) in any case where another State is exercising or seeks to exercise jurisdiction to modify the order, the conditions of section 204 are met to the same extent as required for proceedings to establish orders; or'.

"(4) The State law enacted pursuant to paragraph (1) shall provide that, in any proceeding subject to the law, process may be served (and proved) upon persons in the State by any means acceptable in any State which is the initiating or responding State in the proceeding.".

SEC. 422. IMPROVEMENTS TO FULL FAITH AND CREDIT FOR CHILD SUPPORT ORDERS.

Section 1738B of title 28, United States Code, is amended—

(1) in subsection (a)(2), by striking "subsection (e)" and inserting "subsections (e), (f), and (i)";

(2) in subsection (b), by inserting after the 2nd undesignated paragraph the following:

"'child's home State' means the State in which a child lived with a parent or a person acting as parent for at least 6 consecutive months immediately preceding the time of filing of a petition or comparable pleading for support and, if a child is less than 6 months old, the State in which the child lived from birth with any of them. A period of temporary absence of any of them is counted as part of the 6-month period.";

(3) in subsection (c), by inserting "by a court of a State" before "is made";

(4) in subsection (c)(1), by inserting "and subsections (e), (f), and (g)" after "located";

(5) in subsection (d)—

(A) by inserting "individual" before "contestant"; and

(B) by striking "subsection (e)" and inserting "subsections (e) and (f)";

(6) in subsection (e), by striking "make a modification of a child support order with respect to a child that is made" and inserting "modify a child support order issued";

(7) in subsection (e)(1), by inserting "pursuant to subsection (i)" before the semicolon;

(8) in subsection (e)(2)—

(A) by inserting "individual" before "contestant" each place such term appears; and

(B) by striking "to that court's making the modification and assuming" and inserting "with the State of continuing, exclusive jurisdiction for a court of another State to modify the order and assume";

(9) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively;

(10) by inserting after subsection (e) the following new subsection:

"(f) RECOGNITION OF CHILD SUPPORT ORDERS.—If 1 or more child support orders have been issued in this or another State with regard to an obligor and a child, a court shall apply the following rules in determining which order to recognize for purposes of continuing, exclusive jurisdiction and enforcement:

"(1) If only 1 court has issued a child support order, the order of that court must be recognized.

"(2) If 2 or more courts have issued child support orders for the same obligor and child, and only 1 of the courts would have continuing, exclusive jurisdiction under this section, the order of that court must be recognized.

"(3) If 2 or more courts have issued child support orders for the same obligor and child, and more than 1 of the courts would have continuing, exclusive jurisdiction under this section, an order issued by a court in the current home State of the child must be recognized, but if an order has not been issued in the current home State of the child, the order most recently issued must be recognized.

"(4) If 2 or more courts have issued child support orders for the same obligor and child, and none of the courts would have continuing, exclusive jurisdiction under this section, a court may issue a child support order, which must be recognized.

"(5) The court that has issued an order recognized under this subsection is the court having continuing, exclusive jurisdiction.";

(11) in subsection (g) (as so redesignated)—

(A) by striking "PRIOR" and inserting "MODIFIED"; and

(B) by striking "subsection (e)" and inserting "subsections (e) and (f)";

(12) in subsection (h) (as so redesignated)—

(A) in paragraph (2), by inserting "including the duration of current payments and other obligations of support" before the comma; and

(B) in paragraph (3), by inserting "arrears under" after "enforce"; and

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

"(i) REGISTRATION FOR MODIFICATION.—If there is no individual contestant or child residing in the issuing State, the party or support enforcement agency seeking to modify, or to modify and enforce, a child support order issued in another State shall register that order in a State with jurisdiction over the nonmovant for the purpose of modification.".

SEC. 423. ADMINISTRATIVE ENFORCEMENT IN INTERSTATE CASES.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 415 and 417(a) of this Act, is amended by adding at the end the following new paragraph:

"(14) Procedures under which—

"(A)(i) the State shall respond within 5 business days to a request made by another State to enforce a support order; and

"(ii) the term 'business day' means a day on which State offices are open for regular business;

"(B) the State may, by electronic or other means, transmit to another State a request for assistance in a case involving the enforcement of a support order, which request—

"(i) shall include such information as will enable the State to which the request is transmitted to compare the information about the case to the information in the data bases of the State; and

"(ii) shall constitute a certification by the requesting State—

"(I) of the amount of support under the order the payment of which is in arrears; and

"(II) that the requesting State has complied with all procedural due process requirements applicable to the case;

"(C) if the State provides assistance to another State pursuant to this paragraph with respect to a case, neither State shall consider the case to be transferred to the caseload of such other State; and

"(D) the State shall maintain records of—

"(i) the number of such requests for assistance received by the State;

"(ii) the number of cases for which the State collected support in response to such a request; and

"(iii) the amount of such collected support.".

SEC. 424. USE OF FORMS IN INTERSTATE ENFORCEMENT.

(a) PROMULGATION.—Section 452(a) (42 U.S.C. 652(a)) is amended—

(1) by striking "and" at the end of paragraph (9);

(2) by striking the period at the end of paragraph (10) and inserting "; and"; and

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

"(11) not later than June 30, 1996, promulgate forms to be used by States in interstate cases for—

"(A) collection of child support through income withholding;

"(B) imposition of liens; and

"(C) administrative subpoenas.".

(b) USE BY STATES.—Section 454(9) (42 U.S.C. 654(9)) is amended—

(1) by striking "and" at the end of subparagraph (C);

(2) by inserting "and" at the end of subparagraph (D); and

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

"(E) no later than October 1, 1996, in using the forms promulgated pursuant to section 452(a)(11) for income withholding, imposition of liens, and issuance of administrative subpoenas in interstate child support cases;".

SEC. 425. STATE LAWS PROVIDING EXPEDITED PROCEDURES.

(a) STATE LAW REQUIREMENTS.—Section 466 (42 U.S.C. 666), as amended by section 414 of this Act, is amended—

(1) in subsection (a)(2), by striking the 1st sentence and inserting the following: "Expedited administrative and judicial procedures (including the procedures specified in subsection (c)) for establishing paternity and for establishing, modifying, and enforcing support obligations."; and

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

"(c) The procedures specified in this subsection are the following:

"(1) Procedures which give the State agency the authority to take the following actions relating to establishment or enforcement of support orders, without the necessity of obtaining an order from any other judicial or administrative tribunal, and to recognize and enforce the authority of State agencies of other States) to take the following actions:

"(A) To order genetic testing for the purpose of paternity establishment as provided in section 466(a)(5).

"(B) To enter a default order, upon a showing of service of process and any additional showing required by State law—

"(i) establishing paternity, in the case of a putative father who refuses to submit to genetic testing; and

"(ii) establishing or modifying a support obligation, in the case of a parent (or other obligor or obligee) who fails to respond to notice to appear at a proceeding for such purpose.

"(C) To subpoena any financial or other information needed to establish, modify, or enforce a support order, and to impose penalties for failure to respond to such a subpoena.

"(D) To require all entities in the State (including for-profit, nonprofit, and governmental employers) to provide promptly, in response to a request by the State agency of that or any other State administering a program under this part, information on the employment, compensation, and benefits of any individual employed by such entity as an employee or contractor, and to sanction failure to respond to any such request.

"(E) To obtain access, subject to safeguards on privacy and information security, to the following records (including automated access, in the case of records maintained in automated data bases):

"(i) Records of other State and local government agencies, including—

"(I) vital statistics (including records of marriage, birth, and divorce);

"(II) State and local tax and revenue records (including information on residence address, employer, income and assets);

"(III) records concerning real and titled personal property;

"(IV) records of occupational and professional licenses, and records concerning the ownership and control of corporations, partnerships, and other business entities;

"(V) employment security records;

"(VI) records of agencies administering public assistance programs;

"(VII) records of the motor vehicle department; and

"(VIII) corrections records.

"(ii) Certain records held by private entities, including—

"(I) customer records of public utilities and cable television companies; and

"(II) information (including information on assets and liabilities) on individuals who owe or are owed support (or against or with respect to whom a support obligation is sought) held by financial institutions (subject to limitations on liability of such entities arising from affording such access).

"(F) In cases where support is subject to an assignment in order to comply with a requirement imposed pursuant to part A or section 1912, or to a requirement to pay through the State disbursement unit established pursuant to section 454B, upon providing notice to obligor and obligee, to direct the obligor or other payor to change the payee to the appropriate government entity.

"(G) To order income withholding in accordance with subsections (a)(1) and (b) of section 466.

"(H) In cases in which there is a support arrearage, to secure assets to satisfy the arrearage by—

"(i) intercepting or seizing periodic or lump-sum payments from—

"(I) a State or local agency, including unemployment compensation, workers' compensation, and other benefits; and

"(II) judgments, settlements, and lotteries;

"(ii) attaching and seizing assets of the obligor held in financial institutions;

"(iii) attaching public and private retirement funds; and

"(iv) imposing liens in accordance with subsection (a)(4) and, in appropriate cases, to force sale of property and distribution of proceeds.

"(I) For the purpose of securing overdue support, to increase the amount of monthly support payments to include amounts for arrearages, subject to such conditions or limitations as the State may provide.

Such procedures shall be subject to due process safeguards, including (as appropriate) requirements for notice, opportunity to contest the action, and opportunity for an appeal on the record to an independent administrative or judicial tribunal.

"(2) The expedited procedures required under subsection (a)(2) shall include the following rules and authority, applicable with respect to all proceedings to establish paternity or to establish, modify, or enforce support orders:

"(A) Procedures under which—

"(i) each party to any paternity or child support proceeding is required (subject to privacy safeguards) to file with the tribunal and the State case registry upon entry of an order, and to update as appropriate, information on location and identity of the party, including social security number, residential and mailing addresses, telephone number, driver's license number, and name, address, and name and telephone number of employer; and

"(ii) in any subsequent child support enforcement action between the parties, upon sufficient showing that diligent effort has been made to ascertain the location of such a party, the tribunal may deem State due process requirements for notice and service of process to be met with respect to the party, upon delivery of written notice to the most recent residential or employer address filed with the tribunal pursuant to clause (i).

"(B) Procedures under which—

"(i) the State agency and any administrative or judicial tribunal with authority to hear child support and paternity cases exerts statewide jurisdiction over the parties; and

"(ii) in a State in which orders are issued by courts or administrative tribunals, a case may be transferred between local jurisdictions in the State without need for any additional filing by the petitioner, or service of process upon the respondent, to retain jurisdiction over the parties.".

(b) AUTOMATION OF STATE AGENCY FUNCTIONS.—Section 454A, as added by section 445(a)(2) of this Act and as amended by sections 411 and 412(c) of this Act, is amended by adding at the end the following new subsection:

"(h) EXPEDITED ADMINISTRATIVE PROCEDURES.—The automated system required by this section shall be used, to the maximum extent feasible, to implement the expedited administrative procedures required by section 466(c).".

Subtitle D—Paternity Establishment

SEC. 431. STATE LAWS CONCERNING PATERNITY ESTABLISHMENT.

(a) STATE LAWS REQUIRED.—Section 466(a)(5) (42 U.S.C. 666(a)(5)) is amended to read as follows:

"(5)(A)(i) Procedures which permit the establishment of the paternity of a child at any time before the child attains 21 years of age.

"(ii) As of August 16, 1984, clause (i) shall also apply to a child for whom paternity has not been established or for whom a paternity action was brought but dismissed because a statute of limitations of less than 21 years was then in effect in the State.

"(B)(i) Procedures under which the State is required, in a contested paternity case, unless

otherwise barred by State law, to require the child and all other parties (other than individuals found under section 454(28) to have good cause for refusing to cooperate) to submit to genetic tests upon the request of any such party if the request is supported by a sworn statement by the party—

"(I) alleging paternity, and setting forth facts establishing a reasonable possibility of the requisite sexual contact between the parties; or

"(II) denying paternity, and setting forth facts establishing a reasonable possibility of the nonexistence of sexual contact between the parties.

"(ii) Procedures which require the State agency in any case in which the agency orders genetic testing—

"(I) to pay costs of such tests, subject to recoupment (where the State so elects) from the alleged father if paternity is established; and

"(II) to obtain additional testing in any case where an original test result is contested, upon request and advance payment by the contestant.

"(C)(i) Procedures for a simple civil process for voluntarily acknowledging paternity under which the State must provide that, before a mother and a putative father can sign an acknowledgment of paternity, the mother and the putative father must be given notice, orally and in writing, of the alternatives to, the legal consequences of, and the rights (including, if 1 parent is a minor, any rights afforded due to minority status) and responsibilities that arise from, signing the acknowledgment.

"(ii) Such procedures must include a hospital-based program for the voluntary acknowledgment of paternity focusing on the period immediately before or after the birth of a child.

"(iii)(I) Such procedures must require the State agency responsible for maintaining birth records to offer voluntary paternity establishment services.

"(II)(aa) The Secretary shall prescribe regulations governing voluntary paternity establishment services offered by hospitals and birth record agencies.

"(bb) The Secretary shall prescribe regulations specifying the types of other entities that may offer voluntary paternity establishment services, and governing the provision of such services, which shall include a requirement that such an entity must use the same notice provisions used by, use the same materials used by, provide the personnel providing such services with the same training provided by, and evaluate the provision of such services in the same manner as the provision of such services is evaluated by, voluntary paternity establishment programs of hospitals and birth record agencies.

"(iv) Such procedures must require the State to develop and use an affidavit for the voluntary acknowledgment of paternity which includes the minimum requirements of the affidavit developed by the Secretary under section 452(a)(7) for the voluntary acknowledgment of paternity, and to give full faith and credit to such an affidavit signed in any other State according to its procedures.

"(D)(i) Procedures under which the name of the father shall be included on the record of birth of the child only if the father and mother have signed an acknowledgment of paternity and under which a signed acknowledgment of paternity is considered a legal finding of paternity, subject to the right of any signatory to rescind the acknowledgment within 60 days.

"(ii) Procedures under which, after the 60-day period referred to in clause (i), a signed acknowledgment of paternity may be challenged in court only on the basis of fraud, duress, or material mistake of fact, with the burden of proof upon the challenger, and under which the legal responsibilities (including child support obligations) of any signatory arising from the acknowledgment may not be suspended during the challenge, except for good cause shown.

"(E) Procedures under which judicial or administrative proceedings are not required or permitted to ratify an unchallenged acknowledgment of paternity.

"(F) Procedures—

"(i) requiring the admission into evidence, for purposes of establishing paternity, of the results of any genetic test that is—

"(I) of a type generally acknowledged as reliable by accreditation bodies designated by the Secretary; and

"(II) performed by a laboratory approved by such an accreditation body;

"(ii) requiring an objection to genetic testing results to be made in writing not later than a specified number of days before any hearing at which the results may be introduced into evidence (or, at State option, not later than a specified number of days after receipt of the results); and

"(iii) making the test results admissible as evidence of paternity without the need for foundation testimony or other proof of authenticity or accuracy, unless objection is made.

"(G) Procedures which create a rebuttable or, at the option of the State, conclusive presumption of paternity upon genetic testing results indicating a threshold probability that the alleged father is the father of the child.

"(H) Procedures requiring a default order to be entered in a paternity case upon a showing of service of process on the defendant and any additional showing required by State law.

"(I) Procedures providing that the parties to an action to establish paternity are not entitled to a trial by jury.

"(J) Procedures which require that a temporary order be issued, upon motion by a party, requiring the provision of child support pending an administrative or judicial determination of parentage, where there is clear and convincing evidence of paternity (on the basis of genetic tests or other evidence).

"(K) Procedures under which bills for pregnancy, childbirth, and genetic testing are admissible as evidence without requiring third-party foundation testimony, and shall constitute prima facie evidence of amounts incurred for such services or for testing on behalf of the child.

"(L) Procedures ensuring that the putative father has a reasonable opportunity to initiate a paternity action.

"(M) Procedures under which voluntary acknowledgments and adjudications of paternity by judicial or administrative processes are filed with the State registry of birth records for comparison with information in the State case registry.".

(b) NATIONAL PATERNITY ACKNOWLEDGMENT AFFIDAVIT.—Section 452(a)(7) (42 U.S.C. 652(a)(7)) is amended by inserting ", and develop an affidavit to be used for the voluntary acknowledgment of paternity which shall include the social security number of each parent" before the semicolon.

(c) TECHNICAL AMENDMENT.—Section 468 (42 U.S.C. 668) is amended by striking "a simple civil process for voluntarily acknowledging paternity and".

SEC. 432. OUTREACH FOR VOLUNTARY PATERNITY ESTABLISHMENT.

Section 454(23) (42 U.S.C. 654(23)) is amended by inserting "and will publicize the availability and encourage the use of procedures for voluntary establishment of paternity and child support by means the State deems appropriate" before the semicolon.

SEC. 433. COOPERATION BY APPLICANTS FOR AND RECIPIENTS OF TEMPORARY FAMILY ASSISTANCE.

Section 454 (42 U.S.C. 654), as amended by sections 404(a), 412(a), and 413(a) of this Act, is amended—

(1) by striking "and" at the end of paragraph (26);

(2) by striking the period at the end of paragraph (27) and inserting "; and"; and

(3) by inserting after paragraph (27) the following new paragraph:

"(28) provide that the State agency responsible for administering the State plan—

"(A) shall make the determination (and redetermination at appropriate intervals) as to whether an individual who has applied for or is receiving assistance under the State program funded under part A is cooperating in good faith with the State in establishing the paternity of, or in establishing, modifying, or enforcing a support order for, any child of the individual by providing the State agency with the name of, and such other information as the State agency may require with respect to, the father of the child, subject to such good cause and other exceptions as the State may establish and taking into account the best interests of the child;

"(B) shall require the individual to supply additional necessary information and appear at interviews, hearings, and legal proceedings;

"(C) shall require the individual and the child to submit to genetic tests pursuant to judicial or administrative order; and

"(D) shall promptly notify the individual and the State agency administering the State program funded under part A of each such determination, and if noncooperation is determined, the basis therefore.".

Subtitle E—Program Administration and Funding

SEC. 441. FEDERAL MATCHING PAYMENTS.

(a) INCREASED BASE MATCHING RATE.—Section 455(a)(2) (42 U.S.C. 655(a)(2)) is amended to read as follows:

"(2) The percent specified in this paragraph for any quarter is 66 percent.".

(b) MAINTENANCE OF EFFORT.—Section 455 (42 U.S.C. 655) is amended—

(1) in subsection (a)(1), in the matter preceding subparagraph (A), by striking "From" and inserting "Subject to subsection (c), from"; and

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

"(c) Notwithstanding subsection (a), the total expenditures under the State plan approved under this part for fiscal year 1997 and each succeeding fiscal year, reduced by the percentage specified in paragraph (2) for the fiscal year shall not be less than such total expenditures for fiscal year 1996, reduced by 66 percent.".

SEC. 442. PERFORMANCE-BASED INCENTIVES AND PENALTIES.

(a) INCENTIVE ADJUSTMENTS TO FEDERAL MATCHING RATE.—Section 458 (42 U.S.C. 658) is amended to read as follows:

"SEC. 458. INCENTIVE ADJUSTMENTS TO MATCHING RATE.

"(a) INCENTIVE ADJUSTMENTS.—

"(1) IN GENERAL.—Beginning with fiscal year 1999, the Secretary shall increase the percent specified in section 455(a)(2) that applies to payments to a State under section 455(a)(1)(A) for each quarter in a fiscal year by a factor reflecting the sum of the applicable incentive adjustments (if any) determined in accordance with regulations under this section with respect to the paternity establishment percentage of the State for the immediately preceding fiscal year and with respect to overall performance of the State in child support enforcement during such preceding fiscal year.

"(2) STANDARDS.—

"(A) IN GENERAL.—The Secretary shall specify in regulations—

"(i) the levels of accomplishment, and rates of improvement as alternatives to such levels, which a State must attain to qualify for an incentive adjustment under this section; and

"(ii) the amounts of incentive adjustment that shall be awarded to a State that achieves specified accomplishment or improvement levels, which amounts shall be graduated, ranging up to—

"(I) 12 percentage points, in connection with paternity establishment; and

"(II) 12 percentage points, in connection with overall performance in child support enforcement.

"(B) LIMITATION.—In setting performance standards pursuant to subparagraph (A)(i) and adjustment amounts pursuant to subparagraph (A)(ii), the Secretary shall ensure that the aggregate number of percentage point increases as incentive adjustments to all States do not exceed such aggregate increases as assumed by the Secretary in estimates of the cost of this section as of June 1994, unless the aggregate performance of all States exceeds the projected aggregate performance of all States in such cost estimates.

"(3) DETERMINATION OF INCENTIVE ADJUSTMENT.—The Secretary shall determine the amount (if any) of the incentive adjustment due each State on the basis of the data submitted by the State pursuant to section 454(15)(B) concerning the levels of accomplishment (and rates of improvement) with respect to performance indicators specified by the Secretary pursuant to this section.

"(4) RECYCLING OF INCENTIVE ADJUSTMENT.—A State to which funds are paid by the Federal Government as a result of an incentive adjustment under this section shall expend the funds in the State program under this part within 2 years after the date of the payment.

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

"(1) PATERNITY ESTABLISHMENT PERCENTAGE.—The term 'paternity establishment percentage' means, with respect to a State and a fiscal year—

"(A) the total number of children in the State who were born out of wedlock, who have not attained 1 year of age and for whom paternity is established or acknowledged during the fiscal year; divided by

"(B) the total number of children born out of wedlock in the State during the fiscal year.

"(2) OVERALL PERFORMANCE IN CHILD SUPPORT ENFORCEMENT.—The term 'overall performance in child support enforcement' means a measure or measures of the effectiveness of the State agency in a fiscal year which takes into account factors including—

"(A) the percentage of cases requiring a support order in which such an order was established;

"(B) the percentage of cases in which child support is being paid;

"(C) the ratio of child support collected to child support due; and

"(D) the cost-effectiveness of the State program, as determined in accordance with standards established by the Secretary in regulations (after consultation with the States).

"(3) STATE DEFINED.—The term 'State' does not include any area within the jurisdiction of an Indian tribal government.".

(b) CONFORMING AMENDMENTS.—Section 454(22) (42 U.S.C. 654(22)) is amended—

(1) by striking "incentive payments" the 1st place such term appears and inserting "incentive adjustments"; and

(2) by striking "any such incentive payments made to the State for such period" and inserting "any increases in Federal payments to the State resulting from such incentive adjustments".

(c) CALCULATION OF IV–D PATERNITY ESTABLISHMENT PERCENTAGE.—

(1) Section 452(g)(1) (42 U.S.C. 652(g)(1)) is amended—

(A) in the matter preceding subparagraph (A) by inserting "its overall performance in child support enforcement is satisfactory (as defined in section 458(b) and regulations of the Secretary), and" after "1994,"; and

(B) in each of subparagraphs (A) and (B), by striking "75" and inserting "90".

(2) Section 452(g)(2)(A) (42 U.S.C. 652(g)(2)(A)) is amended in the matter preceding clause (i)—

(A) by striking "paternity establishment percentage" and inserting "IV–D paternity establishment percentage"; and

(B) by striking "(or all States, as the case may be)".

(3) Section 452(g)(3) (42 U.S.C. 652(g)(3)) is amended—

(A) by striking subparagraph (A) and redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively;

(B) in subparagraph (A) (as so redesignated), by striking "the percentage of children born out-of-wedlock in a State" and inserting "the percentage of children in a State who are born out of wedlock or for whom support has not been established"; and

(C) in subparagraph (B) (as so redesignated)—

(i) by inserting "and overall performance in child support enforcement" after "paternity establishment percentages"; and

(ii) by inserting "and securing support" before the period.

(d) EFFECTIVE DATES.—

(1) INCENTIVE ADJUSTMENTS.—

(A) IN GENERAL.—The amendments made by subsections (a) and (b) shall become effective on October 1, 1997, except to the extent provided in subparagraph (B).

(B) EXCEPTION.—Section 458 of the Social Security Act, as in effect before the date of the enactment of this section, shall be effective for purposes of incentive payments to States for fiscal years before fiscal year 1999.

(2) PENALTY REDUCTIONS.—The amendments made by subsection (c) shall become effective with respect to calendar quarters beginning on and after the date of the enactment of this Act.

SEC. 443. FEDERAL AND STATE REVIEWS AND AUDITS.

(a) STATE AGENCY ACTIVITIES.—Section 454 (42 U.S.C. 654) is amended—

(1) in paragraph (14), by striking "(14)" and inserting "(14)(A)";

(2) by redesignating paragraph (15) as subparagraph (B) of paragraph (14); and

(3) by inserting after paragraph (14) the following new paragraph:

"(15) provide for—

"(A) a process for annual reviews of and reports to the Secretary on the State program operated under the State plan approved under this part, which shall include such information as may be necessary to measure State compliance with Federal requirements for expedited procedures, using such standards and procedures as are required by the Secretary, under which the State agency will determine the extent to which the program is operated in compliance with this part; and

"(B) a process of extracting from the automated data processing system required by paragraph (16) and transmitting to the Secretary data and calculations concerning the levels of accomplishment (and rates of improvement) with respect to applicable performance indicators (including IV–D paternity establishment percentages and overall performance in child support enforcement) to the extent necessary for purposes of sections 452(g) and 458.".

(b) FEDERAL ACTIVITIES.—Section 452(a)(4) (42 U.S.C. 652(a)(4)) is amended to read as follows:

"(4)(A) review data and calculations transmitted by State agencies pursuant to section 454(15)(B) on State program accomplishments with respect to performance indicators for purposes of subsection (g) of this section and section 458;

"(B) review annual reports submitted pursuant to section 454(15)(A) and, as appropriate, provide to the State comments, recommendations for additional or alternative corrective actions, and technical assistance; and

"(C) conduct audits, in accordance with the Government auditing standards of the Comptroller General of the United States—

"(i) at least once every 3 years (or more frequently, in the case of a State which fails to meet the requirements of this part, concerning performance standards and reliability of program data) to assess the completeness, reliability, and security of the data, and the accuracy of the reporting systems, used in calculating performance indicators under subsection (g) of this section and section 458;

"(ii) of the adequacy of financial management of the State program operated under the State plan approved under this part, including assessments of—

"(I) whether Federal and other funds made available to carry out the State program are being appropriately expended, and are properly and fully accounted for; and

"(II) whether collections and disbursements of support payments are carried out correctly and are fully accounted for; and

"(iii) for such other purposes as the Secretary may find necessary;".

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to calendar quarters beginning 12 months or more after the date of the enactment of this section.

SEC. 444. REQUIRED REPORTING PROCEDURES.

(a) ESTABLISHMENT.—Section 452(a)(5) (42 U.S.C. 652(a)(5)) is amended by inserting ", and establish procedures to be followed by States for collecting and reporting information required to be provided under this part, and establish uniform definitions (including those necessary to enable the measurement of State compliance with the requirements of this part relating to expedited processes) to be applied in following such procedures" before the semicolon.

(b) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by sections 404(a), 412(a), 413(a), and 433 of this Act, is amended—

(1) by striking "and" at the end of paragraph (27);

(2) by striking the period at the end of paragraph (28) and inserting "; and"; and

(3) by adding after paragraph (28) the following new paragraph:

"(29) provide that the State shall use the definitions established under section 452(a)(5) in collecting and reporting information as required under this part.".

SEC. 445. AUTOMATED DATA PROCESSING REQUIREMENTS.

(a) REVISED REQUIREMENTS.—

(1) IN GENERAL.—Section 454(16) (42 U.S.C. 654(16)) is amended—

(A) by striking ", at the option of the State,";

(B) by inserting "and operation by the State agency" after "for the establishment";

(C) by inserting "meeting the requirements of section 454A" after "information retrieval system";

(D) by striking "in the State and localities thereof, so as (A)" and inserting "so as";

(E) by striking "(i)"; and

(F) by striking "(including" and all that follows and inserting a semicolon.

(2) AUTOMATED DATA PROCESSING.—Part D of title IV (42 U.S.C. 651–669) is amended by inserting after section 454 the following new section:

"SEC. 454A. AUTOMATED DATA PROCESSING.

"(a) IN GENERAL.—In order for a State to meet the requirements of this section, the State agency administering the State program under this part shall have in operation a single statewide automated data processing and information retrieval system which has the capability to perform the tasks specified in this section with the frequency and in the manner required by or under this part.

"(b) PROGRAM MANAGEMENT.—The automated system required by this section shall perform such functions as the Secretary may specify relating to management of the State program under this part, including—

"(1) controlling and accounting for use of Federal, State, and local funds in carrying out the program; and

"(2) maintaining the data necessary to meet Federal reporting requirements under this part on a timely basis.

"(c) CALCULATION OF PERFORMANCE INDICATORS.—In order to enable the Secretary to determine the incentive and penalty adjustments required by sections 452(g) and 458, the State agency shall—

"(1) use the automated system—

"(A) to maintain the requisite data on State performance with respect to paternity establishment and child support enforcement in the State; and

"(B) to calculate the IV–D paternity establishment percentage and overall performance in child support enforcement for the State for each fiscal year; and

"(2) have in place systems controls to ensure the completeness, and reliability of, and ready access to, the data described in paragraph (1)(A), and the accuracy of the calculations described in paragraph (1)(B).

"(d) INFORMATION INTEGRITY AND SECURITY.—The State agency shall have in effect safeguards on the integrity, accuracy, and completeness of, access to, and use of data in the automated system required by this section, which shall include the following (in addition to such other safeguards as the Secretary may specify in regulations):

"(1) POLICIES RESTRICTING ACCESS.—Written policies concerning access to data by State agency personnel, and sharing of data with other persons, which—

"(A) permit access to and use of data only to the extent necessary to carry out the State program under this part; and

"(B) specify the data which may be used for particular program purposes, and the personnel permitted access to such data.

"(2) SYSTEMS CONTROLS.—Systems controls (such as passwords or blocking of fields) to ensure strict adherence to the policies described in paragraph (1).

"(3) MONITORING OF ACCESS.—Routine monitoring of access to and use of the automated system, through methods such as audit trails and feedback mechanisms, to guard against and promptly identify unauthorized access or use.

"(4) TRAINING AND INFORMATION.—Procedures to ensure that all personnel (including State and local agency staff and contractors) who may have access to or be required to use confidential program data are informed of applicable requirements and penalties (including those in section 6103 of the Internal Revenue Code of 1986), and are adequately trained in security procedures.

"(5) PENALTIES.—Administrative penalties (up to and including dismissal from employment) for unauthorized access to, or disclosure or use of, confidential data.".

(3) REGULATIONS.—The Secretary of Health and Human Services shall prescribe final regulations for implementation of section 454A of the Social Security Act not later than 2 years after the date of the enactment of this Act.

(4) IMPLEMENTATION TIMETABLE.—Section 454(24) (42 U.S.C. 654(24)), as amended by sections 404(a)(2) and 412(a)(1) of this Act, is amended to read as follows:

"(24) provide that the State will have in effect an automated data processing and information retrieval system—

"(A) by October 1, 1997, which meets all requirements of this part which were enacted on or before the date of enactment of the Family Support Act of 1988; and

"(B) by October 1, 1999, which meets all requirements of this part enacted on or before the date of the enactment of the Family Self-Sufficiency Act of 1995, except that such deadline shall be extended by 1 day for each day (if any) by which the Secretary fails to meet the deadline imposed by section 445(a)(3) of the Family Self-Sufficiency Act of 1995.".

(b) SPECIAL FEDERAL MATCHING RATE FOR DEVELOPMENT COSTS OF AUTOMATED SYSTEMS.—

(1) IN GENERAL.—Section 455(a) (42 U.S.C. 655(a)) is amended—

(A) in paragraph (1)(B)—

(i) by striking "90 percent" and inserting "the percent specified in paragraph (3)";

(ii) by striking "so much of"; and

(iii) by striking "which the Secretary" and all that follows and inserting ", and"; and

(B) by adding at the end the following new paragraph:

"(3)(A) The Secretary shall pay to each State, for each quarter in fiscal years 1996 and 1997, 90 percent of so much of the State expenditures described in paragraph (1)(B) as the Secretary finds are for a system meeting the requirements specified in section 454(16), but limited to the amount approved for States in the advance planning documents of such States submitted before May 1, 1995.

"(B)(i) The Secretary shall pay to each State, for each quarter in fiscal years 1998 through 2001, the percentage specified in clause (ii) of so much of the State expenditures described in paragraph (1)(B) as the Secretary finds are for a system meeting the requirements of sections 454(16) and 454A.

"(ii) The percentage specified in this clause is the greater of—

"(I) 80 percent; or

"(II) the percentage otherwise applicable to Federal payments to the State under subparagraph (A) (as adjusted pursuant to section 458).".

(2) TEMPORARY LIMITATION ON PAYMENTS UNDER SPECIAL FEDERAL MATCHING RATE.—

(A) IN GENERAL.—The Secretary of Health and Human Services may not pay more than $260,000,000 in the aggregate under section 455(a)(3) of the Social Security Act for fiscal years 1996, 1997, 1998, 1999, and 2000.

(B) ALLOCATION OF LIMITATION AMONG STATES.—The total amount payable to a State under section 455(a)(3) of such Act for fiscal years 1996, 1997, 1998, 1999, and 2000 shall not exceed the limitation determined for the State by the Secretary of Health and Human Services in regulations.

(C) ALLOCATION FORMULA.—The regulations referred to in subparagraph (B) shall prescribe a formula for allocating the amount specified in subparagraph (A) among States with plans approved under part D of title IV of the Social Security Act, which shall take into account—

(i) the relative size of State caseloads under such part; and

(ii) the level of automation needed to meet the automated data processing requirements of such part.

(c) CONFORMING AMENDMENT.—Section 123(c) of the Family Support Act of 1988 (102 Stat. 2352; Public Law 100–485) is repealed.

SEC. 446. TECHNICAL ASSISTANCE.

(a) FOR TRAINING OF FEDERAL AND STATE STAFF, RESEARCH AND DEMONSTRATION PROGRAMS, AND SPECIAL PROJECTS OF REGIONAL OR NATIONAL SIGNIFICANCE.—Section 452 (42 U.S.C. 652) is amended by adding at the end the following new subsection:

"(j) Out of any money in the Treasury of the United States not otherwise appropriated, there is hereby appropriated to the Secretary for each fiscal year an amount equal to 1 percent of the total amount paid to the Federal Government pursuant to section 457(a) during the immediately preceding fiscal year (as determined on the basis of the most recent reliable data available to the Secretary as of the end of the 3rd calendar quarter following the end of such preceding fiscal year), to cover costs incurred by the Secretary for—

"(1) information dissemination and technical assistance to States, training of State and Federal staff, staffing studies, and related activities needed to improve programs under this part (including technical assistance concerning State automated systems required by this part); and

"(2) research, demonstration, and special projects of regional or national significance relating to the operation of State programs under this part.".

(b) OPERATION OF FEDERAL PARENT LOCATOR SERVICE.—Section 453 (42 U.S.C. 653), as amended by section 416(f) of this Act, is amended by adding at the end the following new subsection:

"(n) Out of any money in the Treasury of the United States not otherwise appropriated, there is hereby appropriated to the Secretary for each fiscal year an amount equal to 2 percent of the total amount paid to the Federal Government pursuant to section 457(a) during the immediately preceding fiscal year (as determined on the basis of the most recent reliable data available to the Secretary as of the end of the 3rd calendar quarter following the end of such preceding fiscal year), to cover costs incurred by the Secretary for operation of the Federal Parent Locator Service under this section, to the extent such costs are not recovered through user fees.".

SEC. 447. REPORTS AND DATA COLLECTION BY THE SECRETARY.

(a) ANNUAL REPORT TO CONGRESS.—

(1) Section 452(a)(10)(A) (42 U.S.C. 652(a)(10)(A)) is amended—

(A) by striking "this part;" and inserting "this part, including—"; and

(B) by adding at the end the following new clauses:

"(i) the total amount of child support payments collected as a result of services furnished during the fiscal year to individuals receiving services under this part;

"(ii) the cost to the States and to the Federal Government of so furnishing the services; and

"(iii) the number of cases involving families—

"(I) who became ineligible for assistance under State programs funded under part A during a month in the fiscal year; and

"(II) with respect to whom a child support payment was received in the month;".

(2) Section 452(a)(10)(C) (42 U.S.C. 652(a)(10)(C)) is amended—

(A) in the matter preceding clause (i)—

(i) by striking "with the data required under each clause being separately stated for cases" and inserting "separately stated for (1) cases";

(ii) by striking "cases where the child was formerly receiving" and inserting "or formerly received";

(iii) by inserting "or 1912" after "471(a)(17)"; and

(iv) by inserting "(2)" before "all other";

(B) in each of clauses (i) and (ii), by striking ", and the total amount of such obligations";

(C) in clause (iii), by striking "described in" and all that follows and inserting "in which support was collected during the fiscal year;";

(D) by striking clause (iv); and

(E) by redesignating clause (v) as clause (vii), and inserting after clause (iii) the following new clauses:

"(iv) the total amount of support collected during such fiscal year and distributed as current support;

"(v) the total amount of support collected during such fiscal year and distributed as arrearages;

"(vi) the total amount of support due and unpaid for all fiscal years; and".

(3) Section 452(a)(10)(G) (42 U.S.C. 652(a)(10)(G)) is amended by striking "on the use of Federal courts and".

(4) Section 452(a)(10) (42 U.S.C. 652(a)(10)) is amended—

(A) in subparagraph (H), by striking "and";

(B) in subparagraph (I), by striking the period and inserting "; and"; and

(C) by inserting after subparagraph (I) the following new subparagraph:

"(J) compliance, by State, with the standards established pursuant to subsections (h) and (i).".

(5) Section 452(a)(10) (42 U.S.C. 652(a)(10)) is amended by striking all that follows subparagraph (J), as added by paragraph (4).

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall be effective with respect to fiscal year 1996 and succeeding fiscal years.

Subtitle F—Establishment and Modification of Support Orders

SEC. 451. NATIONAL CHILD SUPPORT GUIDELINES COMMISSION.

(a) ESTABLISHMENT.—There is hereby established a commission to be known as the National Child Support Guidelines Commission (in this section referred to as the "Commission").

(b) GENERAL DUTIES.—

(1) IN GENERAL.—The Commission shall determine—

(A) whether it is appropriate to develop a national child support guideline for consideration by the Congress or for adoption by individual States; or

(B) based on a study of various guideline models, the benefits and deficiencies of such models, and any needed improvements.

(2) DEVELOPMENT OF MODELS.—If the Commission determines under paragraph (1)(A) that a national child support guideline is needed or under paragraph (1)(B) that improvements to guideline models are needed, the Commission shall develop such national guideline or improvements.

(c) MATTERS FOR CONSIDERATION BY THE COMMISSION.—In making the recommendations concerning guidelines required under subsection (b), the Commission shall consider—

(1) the adequacy of State child support guidelines established pursuant to section 467;

(2) matters generally applicable to all support orders, including—

(A) the feasibility of adopting uniform terms in all child support orders;

(B) how to define income and under what circumstances income should be imputed; and

(C) tax treatment of child support payments;

(3) the appropriate treatment of cases in which either or both parents have financial obligations to more than 1 family, including the effect (if any) to be given to—

(A) the income of either parent's spouse; and

(B) the financial responsibilities of either parent for other children or stepchildren;

(4) the appropriate treatment of expenses for child care (including care of the children of either parent, and work-related or job-training-related child care);

(5) the appropriate treatment of expenses for health care (including uninsured health care) and other extraordinary expenses for children with special needs;

(6) the appropriate duration of support by 1 or both parents, including—

(A) support (including shared support) for postsecondary or vocational education; and

(B) support for disabled adult children;

(7) procedures to automatically adjust child support orders periodically to address changed economic circumstances, including changes in the Consumer Price Index or either parent's income and expenses in particular cases;

(8) procedures to help noncustodial parents address grievances regarding visitation and custody orders to prevent such parents from withholding child support payments until such grievances are resolved; and

(9) whether, or to what extent, support levels should be adjusted in cases in which custody is shared or in which the noncustodial parent has extended visitation rights.

(d) MEMBERSHIP.—

(1) NUMBER; APPOINTMENT.—

(A) IN GENERAL.—The Commission shall be composed of 12 individuals appointed jointly by the Secretary of Health and Human Services and the Congress, not later than January 15, 1997, of which—

(i) 2 shall be appointed by the Chairman of the Committee on Finance of the Senate, and 1 shall be appointed by the ranking minority member of the Committee;

(ii) 2 shall be appointed by the Chairman of the Committee on Ways and Means of the House of Representatives, and 1 shall be appointed by the ranking minority member of the Committee; and

(iii) 6 shall be appointed by the Secretary of Health and Human Services.

(B) QUALIFICATIONS OF MEMBERS.—Members of the Commission shall have expertise and experience in the evaluation and development of child support guidelines. At least 1 member shall represent advocacy groups for custodial parents, at least 1 member shall represent advocacy groups for noncustodial parents, and at least 1 member shall be the director of a State program under part D of title IV of the Social Security Act.

(2) TERMS OF OFFICE.—Each member shall be appointed for a term of 2 years. A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(e) COMMISSION POWERS, COMPENSATION, ACCESS TO INFORMATION, AND SUPERVISION.—The 1st sentence of subparagraph (C), the 1st and 3rd sentences of subparagraph (D), subparagraph (F) (except with respect to the conduct of medical studies), clauses (ii) and (iii) of subparagraph (G), and subparagraph (H) of section 1886(e)(6) of the Social Security Act shall apply to the Commission in the same manner in which such provisions apply to the Prospective Payment Assessment Commission.

(f) REPORT.—Not later than 2 years after the appointment of members, the Commission shall submit to the President, the Committee on Ways and Means of the House of Representatives, and the Committee on Finance of the Senate, a recommended national child support guideline and a final assessment of issues relating to such a proposed national child support guideline.

(g) TERMINATION.—The Commission shall terminate 6 months after the submission of the report described in subsection (e).

SEC. 452. SIMPLIFIED PROCESS FOR REVIEW AND ADJUSTMENT OF CHILD SUPPORT ORDERS.

Section 466(a)(10) (42 U.S.C. 666(a)(10)) is amended to read as follows:

"(10) Procedures under which the State shall review and adjust each support order being enforced under this part upon the request of either parent or the State if there is an assignment. Such procedures shall provide the following:

"(A) The State shall review and, as appropriate, adjust the support order every 3 years, taking into account the best interests of the child involved.

"(B)(i) The State may elect to review and, if appropriate, adjust an order pursuant to subparagraph (A) by—

"(I) reviewing and, if appropriate, adjusting the order in accordance with the guidelines established pursuant to section 467(a) if the amount of the child support award under the order differs from the amount that would be awarded in accordance with the guidelines; or

"(II) applying a cost-of-living adjustment to the order in accordance with a formula developed by the State and permit either party to contest the adjustment, within 30 days after the date of the notice of the adjustment, by making a request for review and, if appropriate, adjustment of the order in accordance with the child support guidelines established pursuant to section 467(a).

"(ii) Any adjustment under clause (i) shall be made without a requirement for proof or showing of a change in circumstances.

"(C) The State may use automated methods (including automated comparisons with wage or State income tax data) to identify orders eligible for review, conduct the review, identify orders eligible for adjustment, apply the appropriate adjustment to the orders eligible for adjustment under the threshold established by the State.

"(D) The State shall, at the request of either parent subject to such an order or of any State child support enforcement agency, review and, if appropriate, adjust the order in accordance with the guidelines established pursuant to section 467(a) based upon a substantial change in the circumstances of either parent.

"(E) The State shall provide notice to the parents subject to such an order informing them of their right to request the State to review and, if appropriate, adjust the order pursuant to subparagraph (D). The notice may be included in the order.".

SEC. 453. FURNISHING CONSUMER REPORTS FOR CERTAIN PURPOSES RELATING TO CHILD SUPPORT.

Section 604 of the Fair Credit Reporting Act (15 U.S.C. 1681b) is amended by adding at the end the following new paragraphs:

"(4) In response to a request by the head of a State or local child support enforcement agency (or a State or local government official authorized by the head of such an agency), if the person making the request certifies to the consumer reporting agency that—

"(A) the consumer report is needed for the purpose of establishing an individual's capacity to make child support payments or determining the appropriate level of such payments;

"(B) the paternity of the consumer for the child to which the obligation relates has been established or acknowledged by the consumer in accordance with State laws under which the obligation arises (if required by those laws);

"(C) the person has provided at least 10 days' prior 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

"(D) the consumer report will be kept confidential, will be used solely for a purpose described in subparagraph (A), and will not be used in connection with any other civil, administrative, or criminal proceeding, or for any other purpose.

"(5) To an agency administering a State plan under section 454 of the Social Security Act (42 U.S.C. 654) for use to set an initial or modified child support award.".

SEC. 454. NONLIABILITY FOR DEPOSITORY INSTITUTIONS PROVIDING FINANCIAL RECORDS TO STATE CHILD SUPPORT ENFORCEMENT AGENCIES IN CHILD SUPPORT CASES.

(a) IN GENERAL.—Notwithstanding any other provision of Federal or State law, a depository institution shall not be liable under any Federal or State law to any person for disclosing any financial record of an individual to a State child support enforcement agency attempting to establish, modify, or enforce a child support obligation of such individual.

(b) PROHIBITION OF DISCLOSURE OF FINANCIAL RECORD OBTAINED BY STATE CHILD SUPPORT

ENFORCEMENT AGENCY.—A State child support enforcement agency which obtains a financial record of an individual from a financial institution pursuant to subsection (a) may disclose such financial record only for the purpose of, and to the extent necessary in, establishing, modifying, or enforcing a child support obligation of such individual.

(c) CIVIL DAMAGES FOR UNAUTHORIZED DISCLOSURE.—

(1) DISCLOSURE BY STATE OFFICER OR EMPLOYEE.—If any person knowingly, or by reason of negligence, discloses a financial record of an individual in violation of subsection (b), such individual may bring a civil action for damages against such person in a district court of the United States.

(2) NO LIABILITY FOR GOOD FAITH BUT ERRONEOUS INTERPRETATION.—No liability shall arise under this subsection with respect to any disclosure which results from a good faith, but erroneous, interpretation of subsection (b).

(3) DAMAGES.—In any action brought under paragraph (1), upon a finding of liability on the part of the defendant, the defendant shall be liable to the plaintiff in an amount equal to the sum of—

(A) the greater of—

(i) $1,000 for each act of unauthorized disclosure of a financial record with respect to which such defendant is found liable; or

(ii) the sum of—

(I) the actual damages sustained by the plaintiff as a result of such unauthorized disclosure; plus

(II) in the case of a willful disclosure or a disclosure which is the result of gross negligence, punitive damages; plus

(B) the costs (including attorney's fees) of the action.

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

(1) The term "depository institution" means—

(A) a depository institution, as defined in section 3(c) of the Federal Deposit Insurance Act (12 U.S.C. 1813(c));

(B) an institution-affiliated party, as defined in section 3(u) of such Act (12 U.S.C. 1813(v)); and

(C) any Federal credit union or State credit union, as defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1752), including an institution-affiliated party of such a credit union, as defined in section 206(r) of such Act (12 U.S.C. 1786(r)).

(2) The term "financial record" has the meaning given such term in section 1101 of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401).

(3) The term "State child support enforcement agency" means a State agency which administers a State program for establishing and enforcing child support obligations.

Subtitle G—Enforcement of Support Orders

SEC. 461. FEDERAL INCOME TAX REFUND OFFSET.

(a) CHANGED ORDER OF REFUND DISTRIBUTION UNDER INTERNAL REVENUE CODE.—

(1) IN GENERAL.—Subsection (c) of section 6402 of the Internal Revenue Code of 1986 (relating to authority to make credits or refunds) is amended by striking the 3rd and 4th sentences and inserting the following new sentences: "A reduction under this subsection shall be applied 1st to satisfy past-due support, before any other reductions allowed by law (including a credit against future liability for an internal revenue tax) have been made. A reduction under this subsection shall be assigned to the State with respect to past-due support owed to individuals for periods such individuals were receiving assistance under part A or B of title IV of the Social Security Act only after satisfying all other past-due support.".

(2) CONFORMING AMENDMENT.—Paragraph (2) of section 6402(d) of such Code is amended by striking "with respect to past-due support collected pursuant to an assignment under section 402(a)(26) of the Social Security Act".

(b) ELIMINATION OF DISPARITIES IN TREATMENT OF ASSIGNED AND NONASSIGNED ARREARAGES.—

(1) Section 464(a) (42 U.S.C. 664(a)) is amended—

(A) by striking "(a)" and inserting "(a) OFFSET AUTHORIZED.—";

(B) in paragraph (1)—

(i) in the 1st sentence, by striking "which has been assigned to such State pursuant to section 402(a)(26) or section 471(a)(17)"; and

(ii) in the 2nd sentence, by striking "in accordance with section 457(b)(4) or (d)(3)" and inserting "as provided in paragraph (2)";

(C) by striking paragraph (2) and inserting the following new paragraph:

"(2) The State agency shall distribute amounts paid by the Secretary of the Treasury pursuant to paragraph (1)—

"(A) in accordance with section 457(a), in the case of past-due support assigned to a State; and

"(B) to or on behalf of the child to whom the support was owed, in the case of past-due support not so assigned."; and

(D) in paragraph (3)—

(i) by striking "or (2)" each place such term appears; and

(ii) in subparagraph (B), by striking "under paragraph (2)" and inserting "on account of past-due support described in paragraph (2)(B)".

(2) Section 464(b) (42 U.S.C. 664(b)) is amended—

(A) by striking "(b)(1)" and inserting the following:

"(b) REGULATIONS.—"; and

(B) by striking paragraph (2).

(3) Section 464(c) (42 U.S.C. 664(c)) is amended—

(A) by striking "(c)(1) Except as provided in paragraph (2), as" and inserting the following:

"(c) DEFINITION.—As"; and

(B) by striking paragraphs (2) and (3).

SEC. 462. INTERNAL REVENUE SERVICE COLLECTION OF ARREARAGES.

(a) AMENDMENT TO INTERNAL REVENUE CODE.—Section 6305(a) of the Internal Revenue Code of 1986 (relating to collection of certain liability) is amended—

(1) in paragraph (1), by inserting "except as provided in paragraph (5)" after "collected";

(2) by striking "and" at the end of paragraph (3);

(3) by striking the period at the end of paragraph (4) and inserting ", and";

(4) by adding at the end the following new paragraph:

"(5) no additional fee may be assessed for adjustments to an amount previously certified pursuant to such section 452(b) with respect to the same obligor."; and

(5) by striking "Secretary of Health, Education, and Welfare" each place it appears and inserting "Secretary of Health and Human Services".

(b) EFFECTIVE DATE.—The amendments made by this section shall become effective October 1, 1997.

SEC. 463. AUTHORITY TO COLLECT SUPPORT FROM FEDERAL EMPLOYEES.

(a) CONSOLIDATION AND STREAMLINING OF AUTHORITIES.—Section 459 (42 U.S.C. 659) is amended to read as follows:

"SEC. 459. CONSENT BY THE UNITED STATES TO INCOME WITHHOLDING, GARNISHMENT, AND SIMILAR PROCEEDINGS FOR ENFORCEMENT OF CHILD SUPPORT AND ALIMONY OBLIGATIONS.

"(a) CONSENT TO SUPPORT ENFORCEMENT.—Notwithstanding any other provision of law (including section 207 of this Act and section 5301 of title 38, United States Code), effective January 1, 1975, moneys (the entitlement to which is based upon remuneration for employment) due from, or payable by, the United States or the District of Columbia (including any agency, subdivision, or instrumentality thereof) to any individual, including members of the Armed Forces of the United States, shall be subject, in like manner and to the same extent as if the United States or the District of Columbia were a private person, to withholding in accordance with State law enacted pursuant to subsections (a)(1) and (b) of section 466 and regulations of the Secretary under such subsections, and to any other legal process brought, by a State agency administering a program under a State plan approved under this part or by an individual obligee, to enforce the legal obligation of the individual to provide child support or alimony.

"(b) CONSENT TO REQUIREMENTS APPLICABLE TO PRIVATE PERSON.—With respect to notice to withhold income pursuant to subsection (a)(1) or (b) of section 466, or any other order or process to enforce support obligations against an individual (if the order or process contains or is accompanied by sufficient data to permit prompt identification of the individual and the moneys involved), each governmental entity specified in subsection (a) shall be subject to the same requirements as would apply if the entity were a private person, except as otherwise provided in this section.

"(c) DESIGNATION OF AGENT; RESPONSE TO NOTICE OR PROCESS—

"(1) DESIGNATION OF AGENT.—The head of each agency subject to this section shall—

"(A) designate an agent or agents to receive orders and accept service of process in matters relating to child support or alimony; and

"(B) annually publish in the Federal Register the designation of the agent or agents, identified by title or position, mailing address, and telephone number.

"(2) RESPONSE TO NOTICE OR PROCESS.—If an agent designated pursuant to paragraph (1) of this subsection receives notice pursuant to State procedures in effect pursuant to subsection (a)(1) or (b) of section 466, or is effectively served with any order, process, or interrogatory, with respect to an individual's child support or alimony payment obligations, the agent shall—

"(A) as soon as possible (but not later than 15 days) thereafter, send written notice of the notice or service (together with a copy of the notice or service) to the individual at the duty station or last-known home address of the individual;

"(B) within 30 days (or such longer period as may be prescribed by applicable State law) after receipt of a notice pursuant to such State procedures, comply with all applicable provisions of section 466; and

"(C) within 30 days (or such longer period as may be prescribed by applicable State law) after effective service of any other such order, process, or interrogatory, respond to the order, process, or interrogatory.

"(d) PRIORITY OF CLAIMS.—If a governmental entity specified in subsection (a) receives notice or is served with process, as provided in this section, concerning amounts owed by an individual to more than 1 person—

"(1) support collection under section 466(b) must be given priority over any other process, as provided in section 466(b)(7);

"(2) allocation of moneys due or payable to an individual among claimants under section 466(b) shall be governed by section 466(b) and the regulations prescribed under such section; and

"(3) such moneys as remain after compliance with paragraphs (1) and (2) shall be available to satisfy any other such processes on a 1st-come, 1st-served basis, with any such process being

satisfied out of such moneys as remain after the satisfaction of all such processes which have been previously served.

"(e) NO REQUIREMENT TO VARY PAY CYCLES.—A governmental entity that is affected by legal process served for the enforcement of an individual's child support or alimony payment obligations shall not be required to vary its normal pay and disbursement cycle in order to comply with the legal process.

"(f) RELIEF FROM LIABILITY.—

"(1) Neither the United States, nor the government of the District of Columbia, nor any disbursing officer shall be liable with respect to any payment made from moneys due or payable from the United States to any individual pursuant to legal process regular on its face, if the payment is made in accordance with this section and the regulations issued to carry out this section.

"(2) No Federal employee whose duties include taking actions necessary to comply with the requirements of subsection (a) with regard to any individual shall be subject under any law to any disciplinary action or civil or criminal liability or penalty for, or on account of, any disclosure of information made by the employee in connection with the carrying out of such actions.

"(g) REGULATIONS.—Authority to promulgate regulations for the implementation of this section shall, insofar as this section applies to moneys due from (or payable by)—

"(1) the United States (other than the legislative or judicial branches of the Federal Government) or the government of the District of Columbia, be vested in the President (or the designee of the President);

"(2) the legislative branch of the Federal Government, be vested jointly in the President pro tempore of the Senate and the Speaker of the House of Representatives (or their designees), and

"(3) the judicial branch of the Federal Government, be vested in the Chief Justice of the United States (or the designee of the Chief Justice).

"(h) MONEYS SUBJECT TO PROCESS.—

"(1) IN GENERAL.—Subject to paragraph (2), moneys paid or payable to an individual which are considered to be based upon remuneration for employment, for purposes of this section—

"(A) consist of—

"(i) compensation paid or payable for personal services of the individual, whether the compensation is denominated as wages, salary, commission, bonus, pay, allowances, or otherwise (including severance pay, sick pay, and incentive pay);

"(ii) periodic benefits (including a periodic benefit as defined in section 228(h)(3)) or other payments—

"(I) under the insurance system established by title II;

"(II) under any other system or fund established by the United States which provides for the payment of pensions, retirement or retired pay, annuities, dependents' or survivors' benefits, or similar amounts payable on account of personal services performed by the individual or any other individual;

"(III) as compensation for death under any Federal program;

"(IV) under any Federal program established to provide 'black lung' benefits; or

"(V) by the Secretary of Veterans Affairs as pension, or as compensation for a service-connected disability or death (except any compensation paid by the Secretary to a member of the Armed Forces who is in receipt of retired or retainer pay if the member has waived a portion of the retired pay of the member in order to receive the compensation); and

"(iii) workers' compensation benefits paid under Federal or State law; but

"(B) do not include any payment—

"(i) by way of reimbursement or otherwise, to defray expenses incurred by the individual in carrying out duties associated with the employment of the individual; or

"(ii) as allowances for members of the uniformed services payable pursuant to chapter 7 of title 37, United States Code, as prescribed by the Secretaries concerned (defined by section 101(5) of such title) as necessary for the efficient performance of duty.

"(2) CERTAIN AMOUNTS EXCLUDED.—In determining the amount of any moneys due from, or payable by, the United States to any individual, there shall be excluded amounts which—

"(A) are owed by the individual to the United States;

"(B) are required by law to be, and are, deducted from the remuneration or other payment involved, including Federal employment taxes, and fines and forfeitures ordered by court-martial;

"(C) are properly withheld for Federal, State, or local income tax purposes, if the withholding of the amounts is authorized or required by law and if amounts withheld are not greater than would be the case if the individual claimed all dependents to which he was entitled (the withholding of additional amounts pursuant to section 3402(i) of the Internal Revenue Code of 1986 may be permitted only when the individual presents evidence of a tax obligation which supports the additional withholding);

"(D) are deducted as health insurance premiums;

"(E) are deducted as normal retirement contributions (not including amounts deducted for supplementary coverage); or

"(F) are deducted as normal life insurance premiums from salary or other remuneration for employment (not including amounts deducted for supplementary coverage).

"(i) DEFINITIONS.—As used in this section:

"(1) UNITED STATES.—The term 'United States' includes any department, agency, or instrumentality of the legislative, judicial, or executive branch of the Federal Government, the United States Postal Service, the Postal Rate Commission, any Federal corporation created by an Act of Congress that is wholly owned by the Federal Government, and the governments of the territories and possessions of the United States.

"(2) CHILD SUPPORT.—The term 'child support', when used in reference to the legal obligations of an individual to provide such support, means periodic payments of funds for the support and maintenance of a child or children with respect to which the individual has such an obligation, and (subject to and in accordance with State law) includes payments to provide for health care, education, recreation, clothing, or to meet other specific needs of such a child or children, and includes attorney's fees, interest, and court costs, when and to the extent that the same are expressly made recoverable as such pursuant to a decree, order, or judgment issued in accordance with applicable State law by a court of competent jurisdiction.

"(3) ALIMONY.—The term 'alimony', when used in reference to the legal obligations of an individual to provide the same, means periodic payments of funds for the support and maintenance of the spouse (or former spouse) of the individual, and (subject to and in accordance with State law) includes separate maintenance, alimony pendente lite, maintenance, and spousal support, and includes attorney's fees, interest, and court costs when and to the extent that the same are expressly made recoverable as such pursuant to a decree, order, or judgment issued in accordance with applicable State law by a court of competent jurisdiction. Such term does not include any payment or transfer of property or its value by an individual to the spouse or a former spouse of the individual in compliance with any community property settlement, equitable distribution of property, or other division of property between spouses or former spouses.

"(4) PRIVATE PERSON.—The term 'private person' means a person who does not have sovereign or other special immunity or privilege which causes the person not to be subject to legal process.

"(5) LEGAL PROCESS.—The term 'legal process' means any writ, order, summons, or other similar process in the nature of garnishment—

"(A) which is issued by—

"(i) a court of competent jurisdiction in any State, territory, or possession of the United States;

"(ii) a court of competent jurisdiction in any foreign country with which the United States has entered into an agreement which requires the United States to honor the process; or

"(iii) an authorized official pursuant to an order of such a court of competent jurisdiction or pursuant to State or local law; and

"(B) which is directed to, and the purpose of which is to compel, a governmental entity which holds moneys which are otherwise payable to an individual to make a payment from the moneys to another party in order to satisfy a legal obligation of the individual to provide child support or make alimony payments.".

(b) CONFORMING AMENDMENTS.—

(1) TO PART D OF TITLE IV.—Sections 461 and 462 (42 U.S.C. 661 and 662) are repealed.

(2) TO TITLE 5, UNITED STATES CODE.—Section 5520a of title 5, United States Code, is amended, in subsections (h)(2) and (i), by striking "sections 459, 461, and 462 of the Social Security Act (42 U.S.C. 659, 661, and 662)" and inserting "section 459 of the Social Security Act (42 U.S.C. 659)".

(c) MILITARY RETIRED AND RETAINER PAY.—

(1) DEFINITION OF COURT.—Section 1408(a)(1) of title 10, United States Code, is amended—

(A) by striking "and" at the end of subparagraph (B);

(B) by striking the period at the end of subparagraph (C) and inserting "; and"; and

(C) by adding after subparagraph (C) the following new subparagraph:

"(D) any administrative or judicial tribunal of a State competent to enter orders for support or maintenance (including a State agency administering a program under a State plan approved under part D of title IV of the Social Security Act), and, for purposes of this subparagraph, the term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.".

(2) DEFINITION OF COURT ORDER.—Section 1408(a)(2) of such title is amended by inserting "or a court order for the payment of child support not included in or accompanied by such a decree or settlement," before "which—".

(3) PUBLIC PAYEE.—Section 1408(d) of such title is amended—

(A) in the heading, by inserting "(OR FOR BENEFIT OF)" before "SPOUSE OR"; and

(B) in paragraph (1), in the 1st sentence, by inserting "(or for the benefit of such spouse or former spouse to a State disbursement unit established pursuant to section 454B of the Social Security Act or other public payee designated by a State, in accordance with part D of title IV of the Social Security Act, as directed by court order, or as otherwise directed in accordance with such part D)" before "in an amount sufficient".

(4) RELATIONSHIP TO PART D OF TITLE IV.—Section 1408 of such title is amended by adding at the end the following new subsection:

"(j) RELATIONSHIP TO OTHER LAWS.—In any case involving an order providing for payment of child support (as defined in section 459(i)(2) of the Social Security Act) by a member who has

never been married to the other parent of the child, the provisions of this section shall not apply, and the case shall be subject to the provisions of section 459 of such Act.".

(d) EFFECTIVE DATE.—The amendments made by this section shall become effective 6 months after the date of the enactment of this Act.

SEC. 464. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS OF MEMBERS OF THE ARMED FORCES.

(a) AVAILABILITY OF LOCATOR INFORMATION.—

(1) MAINTENANCE OF ADDRESS INFORMATION.—The Secretary of Defense shall establish a centralized personnel locator service that includes the address of each member of the Armed Forces under the jurisdiction of the Secretary. Upon request of the Secretary of Transportation, addresses for members of the Coast Guard shall be included in the centralized personnel locator service.

(2) TYPE OF ADDRESS.—

(A) RESIDENTIAL ADDRESS.—Except as provided in subparagraph (B), the address for a member of the Armed Forces shown in the locator service shall be the residential address of that member.

(B) DUTY ADDRESS.—The address for a member of the Armed Forces shown in the locator service shall be the duty address of that member in the case of a member—

(i) who is permanently assigned overseas, to a vessel, or to a routinely deployable unit; or

(ii) with respect to whom the Secretary concerned makes a determination that the member's residential address should not be disclosed due to national security or safety concerns.

(3) UPDATING OF LOCATOR INFORMATION.—Within 30 days after a member listed in the locator service establishes a new residential address (or a new duty address, in the case of a member covered by paragraph (2)(B)), the Secretary concerned shall update the locator service to indicate the new address of the member.

(4) AVAILABILITY OF INFORMATION.—The Secretary of Defense shall make information regarding the address of a member of the Armed Forces listed in the locator service available, on request, to the Federal Parent Locator Service established under section 453 of the Social Security Act.

(b) FACILITATING GRANTING OF LEAVE FOR ATTENDANCE AT HEARINGS.—

(1) REGULATIONS.—The Secretary of each military department, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, shall prescribe regulations to facilitate the granting of leave to a member of the Armed Forces under the jurisdiction of that Secretary in a case in which—

(A) the leave is needed for the member to attend a hearing described in paragraph (2);

(B) the member is not serving in or with a unit deployed in a contingency operation (as defined in section 101 of title 10, United States Code); and

(C) the exigencies of military service (as determined by the Secretary concerned) do not otherwise require that such leave not be granted.

(2) COVERED HEARINGS.—Paragraph (1) applies to a hearing that is conducted by a court or pursuant to an administrative process established under State law, in connection with a civil action—

(A) to determine whether a member of the Armed Forces is a natural parent of a child; or

(B) to determine an obligation of a member of the Armed Forces to provide child support.

(3) DEFINITIONS.—For purposes of this subsection:

(A) The term "court" has the meaning given that term in section 1408(a) of title 10, United States Code.

(B) The term "child support" has the meaning given such term in section 459(i) of the Social Security Act (42 U.S.C. 659(i)).

(c) PAYMENT OF MILITARY RETIRED PAY IN COMPLIANCE WITH CHILD SUPPORT ORDERS.—

(1) DATE OF CERTIFICATION OF COURT ORDER.—Section 1408 of title 10, United States Code, as amended by section 463(c)(4) of this Act, is amended—

(A) by redesignating subsections (i) and (j) as subsections (j) and (k), respectively; and

(B) by inserting after subsection (h) the following new subsection:

"(i) CERTIFICATION DATE.—It is not necessary that the date of a certification of the authenticity or completeness of a copy of a court order for child support received by the Secretary concerned for the purposes of this section be recent in relation to the date of receipt by the Secretary.".

(2) PAYMENTS CONSISTENT WITH ASSIGNMENTS OF RIGHTS TO STATES.—Section 1408(d)(1) of such title is amended by inserting after the 1st sentence the following: "In the case of a spouse or former spouse who assigns to a State the rights of the spouse or former spouse to receive support, the Secretary concerned may make the child support payments referred to in the preceding sentence to that State in amounts consistent with that assignment of rights.".

(3) ARREARAGES OWED BY MEMBERS OF THE UNIFORMED SERVICES.—Section 1408(d) of such title is amended by adding at the end the following new paragraph:

"(6) In the case of a court order for which effective service is made on the Secretary concerned on or after the date of the enactment of this paragraph and which provides for payments from the disposable retired pay of a member to satisfy the amount of child support set forth in the order, the authority provided in paragraph (1) to make payments from the disposable retired pay of a member to satisfy the amount of child support set forth in a court order shall apply to payment of any amount of child support arrearages set forth in that order as well as to amounts of child support that currently become due.".

(4) PAYROLL DEDUCTIONS.—The Secretary of Defense shall begin payroll deductions within 30 days after receiving notice of withholding, or for the 1st pay period that begins after such 30-day period.

SEC. 465. VOIDING OF FRAUDULENT TRANSFERS.

Section 466 (42 U.S.C. 666), as amended by section 421 of this Act, is amended by adding at the end the following new subsection:

"(g) In order to satisfy section 454(20)(A), each State must have in effect—

"(1)(A) the Uniform Fraudulent Conveyance Act of 1981;

"(B) the Uniform Fraudulent Transfer Act of 1984; or

"(C) another law, specifying indicia of fraud which create a prima facie case that a debtor transferred income or property to avoid payment to a child support creditor, which the Secretary finds affords comparable rights to child support creditors; and

"(2) procedures under which, in any case in which the State knows of a transfer by a child support debtor with respect to which such a prima facie case is established, the State must—

"(A) seek to void such transfer; or

"(B) obtain a settlement in the best interests of the child support creditor.".

SEC. 466. WORK REQUIREMENT FOR PERSONS OWING CHILD SUPPORT.

Section 466(a) of the Social Security Act (42 U.S.C. 666(a)), as amended by sections 401(a), 415, 417(a), and 423 of this Act, is amended by adding at the end the following new paragraph:

"(16) Procedures requiring the State, in any case in which an individual owes support with respect to a child receiving services under this part, to seek a court order or administrative order that requires the individual to—

"(A) pay such support in accordance with a plan approved by the court; or

"(B) if the individual is not working and is not incapacitated, participate in work activities (including, at State option, work activities as defined in section 482) as the court deems appropriate.".

SEC. 467. DEFINITION OF SUPPORT ORDER.

Section 453 (42 U.S.C. 653) as amended by sections 416 and 446(b) of this Act, is amended by adding at the end the following new subsection:

"(o) As used in this part, the term 'support order' means a judgment, decree, or order, whether temporary, final, or subject to modification, issued by a court or an administrative agency of competent jurisdiction, for the support and maintenance of a child, including a child who has attained the age of majority under the law of the issuing State, or a child and the parent with whom the child is living, which provides for monetary support, health care, arrearages, or reimbursement, and which may include related costs and fees, interest and penalties, income withholding, attorneys' fees, and other relief.".

SEC. 468. REPORTING ARREARAGES TO CREDIT BUREAUS.

Section 466(a)(7) (42 U.S.C. 666(a)(7)) is amended to read as follows:

"(7)(A) Procedures (subject to safeguards pursuant to subparagraph (B)) requiring the State to report periodically to consumer reporting agencies (as defined in section 603(f) of the Fair Credit Reporting Act (15 U.S.C. 1681a(f)) the name of any absent parent who is delinquent in the payment of support, and the amount of overdue support owed by such parent.

"(B) Procedures ensuring that, in carrying out subparagraph (A), information with respect to an absent parent is reported—

"(i) only after such parent has been afforded all due process required under State law, including notice and a reasonable opportunity to contest the accuracy of such information; and

"(ii) only to an entity that has furnished evidence satisfactory to the State that the entity is a consumer reporting agency.".

SEC. 469. LIENS.

Section 466(a)(4) (42 U.S.C. 666(a)(4)) is amended to read as follows:

"(4) Procedures under which—

"(A) liens arise by operation of law against real and personal property for amounts of overdue support owed by an absent parent who resides or owns property in the State; and

"(B) the State accords full faith and credit to liens described in subparagraph (A) arising in another State, without registration of the underlying order.".

SEC. 470. STATE LAW AUTHORIZING SUSPENSION OF LICENSES.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 415, 417(a), and 423 of this Act, is amended by adding at the end the following new paragraph:

"(15) Procedures under which the State has (and uses in appropriate cases) authority to withhold or suspend, or to restrict the use of driver's licenses, professional and occupational licenses, and recreational licenses of individuals owing overdue support or failing, after receiving appropriate notice, to comply with subpoenas or warrants relating to paternity or child support proceedings.".

SEC. 471. DENIAL OF PASSPORTS FOR NONPAYMENT OF CHILD SUPPORT.

(a) HHS CERTIFICATION PROCEDURE.—

(1) SECRETARIAL RESPONSIBILITY.—Section 452 (42 U.S.C. 652), as amended by section 446, is amended by adding at the end the following new subsection:

"(k)(1) If the Secretary receives a certification by a State agency in accordance with the requirements of section 454(30) that an individual owes arrearages of child support in an amount exceeding $5,000 or in an amount exceeding 24 months' worth of child support, the Secretary shall transmit such certification to the Secretary of State for action (with respect to denial, revocation, or limitation of passports) pursuant to section 471(b) of the Family Self-Sufficiency Act of 1995.

"(2) The Secretary shall not be liable to an individual for any action with respect to a certification by a State agency under this section.".

(2) STATE CSE AGENCY RESPONSIBILITY.—Section 454 (42 U.S.C. 654), as amended by sections 404(a), 412(b), 413(a), 433, and 444(a), is amended—

(A) by striking "and" at the end of paragraph (28);

(B) by striking the period at the end of paragraph (29) and inserting "; and"; and

(C) by adding after paragraph (29) the following new paragraph:

"(30) provide that the State agency will have in effect a procedure (which may be combined with the procedure for tax refund offset under section 464) for certifying to the Secretary, for purposes of the procedure under section 452(k) (concerning denial of passports) determinations that individuals owe arrearages of child support in an amount exceeding $5,000 or in an amount exceeding 24 months' worth of child support, under which procedure—

"(A) each individual concerned is afforded notice of such determination and the consequences thereof, and an opportunity to contest the determination; and

"(B) the certification by the State agency is furnished to the Secretary in such format, and accompanied by such supporting documentation, as the Secretary may require.".

(b) STATE DEPARTMENT PROCEDURE FOR DENIAL OF PASSPORTS.—

(1) IN GENERAL.—The Secretary of State, upon certification by the Secretary of Health and Human Services, in accordance with section 452(k) of the Social Security Act, that an individual owes arrearages of child support in excess of $5,000 or in an amount exceeding 24 months' worth of child support, shall refuse to issue a passport to such individual, and may revoke, restrict, or limit a passport issued previously to such individual.

(2) LIMIT ON LIABILITY.—The Secretary of State shall not be liable to an individual for any action with respect to a certification by a State agency under this section.

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall become effective October 1, 1996.

Subtitle H—Medical Support

SEC. 475. TECHNICAL CORRECTION TO ERISA DEFINITION OF MEDICAL CHILD SUPPORT ORDER.

(a) IN GENERAL.—Section 609(a)(2)(B) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1169(a)(2)(B)) is amended—

(1) by striking "issued by a court of competent jurisdiction";

(2) by striking the period at the end of clause (ii) and inserting a comma; and

(3) by adding, after and below clause (ii), the following:

"if such judgment, decree, or order (I) is issued by a court of competent jurisdiction or (II) is issued through an administrative process established under State law and has the force and effect of law under applicable State law.".

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on the date of the enactment of this Act.

(2) PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1996.—Any amendment to a plan required to be made by an amendment made by this section shall not be required to be made before the 1st plan year beginning on or after January 1, 1996, if—

(A) during the period after the date before the date of the enactment of this Act and before such 1st plan year, the plan is operated in accordance with the requirements of the amendments made by this section; and

(B) such plan amendment applies retroactively to the period after the date before the date of the enactment of this Act and before such 1st plan year.

A plan shall not be treated as failing to be operated in accordance with the provisions of the plan merely because it operates in accordance with this paragraph.

SEC. 476. ENFORCEMENT OF ORDERS FOR HEALTH CARE COVERAGE.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 415, 417(a), 423, and 469 of this Act, is amended by adding at the end the following new paragraph:

"(16) Procedures under which all child support orders enforced under this part shall include a provision for the health care coverage of the child, and in the case in which an absent parent provides such coverage and changes employment, and the new employer provides health care coverage, the State agency shall transfer notice of the provision to the employer, which notice shall operate to enroll the child in the absent parent's health plan, unless the absent parent contests the notice.".

Subtitle I—Enhancing Responsibility and Opportunity for Nonresidential Parents

SEC. 481. GRANTS TO STATES FOR ACCESS AND VISITATION PROGRAMS.

Part D of title IV (42 U.S.C. 651–669) is amended by adding at the end the following new section:

"SEC. 469A. GRANTS TO STATES FOR ACCESS AND VISITATION PROGRAMS.

"(a) IN GENERAL.—The Administration for Children and Families shall make grants under this section to enable States to establish and administer programs to support and facilitate absent parents' access to and visitation of their children, by means of activities including mediation (both voluntary and mandatory), counseling, education, development of parenting plans, visitation enforcement (including monitoring, supervision and neutral drop-off and pickup), and development of guidelines for visitation and alternative custody arrangements.

"(b) AMOUNT OF GRANT.—The amount of the grant to be made to a State under this section for a fiscal year shall be an amount equal to the lesser of—

"(1) 90 percent of State expenditures during the fiscal year for activities described in subsection (a); or

"(2) the allotment of the State under subsection (c) for the fiscal year.

"(c) ALLOTMENTS TO STATES.—

"(1) IN GENERAL.—The allotment of a State for a fiscal year is the amount that bears the same ratio to the amount appropriated for grants under this section for the fiscal year as the number of children in the State living with only 1 biological parent bears to the total number of such children in all States.

"(2) MINIMUM ALLOTMENT.—The Administration for Children and Families shall adjust allotments to States under paragraph (1) as necessary to ensure that no State is allotted less than—

"(A) $50,000 for fiscal year 1996 or 1997; or

"(B) $100,000 for any succeeding fiscal year.

"(d) NO SUPPLANTATION OF STATE EXPENDITURES FOR SIMILAR ACTIVITIES.—A State to which a grant is made under this section may not use the grant to supplant expenditures by the State for activities specified in subsection (a), but shall use the grant to supplement such expenditures at a level at least equal to the level of such expenditures for fiscal year 1995.

"(e) STATE ADMINISTRATION.—Each State to which a grant is made under this section—

"(1) may administer State programs funded with the grant, directly or through grants to or contracts with courts, local public agencies, or nonprofit private entities;

"(2) shall not be required to operate such programs on a statewide basis; and

"(3) shall monitor, evaluate, and report on such programs in accordance with regulations prescribed by the Secretary.".

Subtitle J—Effect of Enactment

SEC. 491. EFFECTIVE DATES.

(a) IN GENERAL.—Except as otherwise specifically provided (but subject to subsections (b) and (c))—

(1) the provisions of this title requiring the enactment or amendment of State laws under section 466 of the Social Security Act, or revision of State plans under section 454 of such Act, shall be effective with respect to periods beginning on and after October 1, 1996; and

(2) all other provisions of this title shall become effective upon the date of the enactment of this Act.

(b) GRACE PERIOD FOR STATE LAW CHANGES.—The provisions of this title shall become effective with respect to a State on the later of—

(1) the date specified in this title, or

(2) the effective date of laws enacted by the legislature of such State implementing such provisions,

but in no event later than the 1st day of the 1st calendar quarter beginning after the close of the 1st regular session of the State legislature that begins after the date of the enactment of this Act. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

(c) GRACE PERIOD FOR STATE CONSTITUTIONAL AMENDMENT.—A State shall not be found out of compliance with any requirement enacted by this title if the State is unable to so comply without amending the State constitution until the earlier of—

(1) 1 year after the effective date of the necessary State constitutional amendment; or

(2) 5 years after the date of the enactment of this title.

Amend the title so as to read: "An Act to enhance support and work opportunities for families with children, reduce welfare dependence, and control welfare spending.".

Mr. DOLE. There is an old saying that "everybody talks about the weather, but nobody does anything about it."

For the past several years, that saying could also apply to welfare reform. Everyone talked about it, but nobody did anything about it that really mattered.

That will change Monday, when we begin serious debate. In fact, it will change today because we will introduce the substitute here in a moment. But on Monday, the Senate will begin serious debate on the Work Opportunity Act of 1995.

There is a true national consensus to transform welfare from a program that does not work into one that does. It is my intention that once the Senate begins to talk about welfare reform, we will continue until we actually have done something about it. And when all

the talking is done, I believe we will pass legislation that will transform welfare from a failed system into one that succeeds in providing work, hope, and opportunity for many, many Americans in need.

At the center of our debate will be the legislation introduced this week by 33 Senate Republicans including the entire Senate Republican leadership. I am also very proud that our legislation has the support of a majority of America's Governors. Hopefully, it is bipartisan, but I can say that there are 30 Republican Governors out of the 50 States, and 30 Republican Governors represent 70 percent of the people in America, and every one of the 30 Republican Governors support our legislation.

Our bill is based on three conservative principles:

First and foremost, welfare reform should be designed and run by those closest to the problem—the States. Not by Washington, not by some faceless, nameless bureaucrat but by the States, by the State legislators and by the Governors and the people they appoint. We believe this is the key to true conservative reform. The Congress has dedicated itself to restoring the 10th amendment to the Constitution and to getting the Federal Government out of the mandate business, and States should not have to play a game of "mother may I" with the Federal Government when it comes to welfare.

Second: Welfare programs should include a real work requirement which in no uncertain terms requires able-bodied welfare recipients to find a job rather than to stay at home or stay in a training program forever. And make no mistake about it; our legislation contains real work requirements.

And third: No program with an unlimited budget will ever be made to work effectively and efficiently. Therefore, we must put a cap on welfare spending.

We will be discussing those principles in greater detail during the debate. I believe the entire Senate, Republicans and Democrats, begins this debate united in many ways. We begin united in the knowledge that our current welfare system is broke, and we begin united in a commitment to fix it.

We have made valiant efforts in the past. And I see my colleague from New York who is the expert on welfare and has been for some 30 years in my memory and who has made a lot of suggestions that had we followed years ago, we would not be in the trouble we are today; they were not followed. I hope that he will enlist in our efforts to make some rather radical changes.

That is not to say we are not going to have disagreements. I hope it is not going to be party line. In my view, the best we can do when it comes to the Work Opportunity Act of 1995, or whatever title other Members may have on their bills, is to work together, iron out some of the problems we have, and have a big vote for change in this Senate Chamber.

There will be a number of close votes during the debate, but by remembering what unites us, I feel confident we will pass a bill with wide bipartisan support. I hope this is a bill we do not have to go through the cloture exercise; that we do not have a filibuster either by amendment or by intent because it seems to me if we have—I know Senator PACKWOOD, the chairman of the Finance Committee, will be leading the debate on this side. He is a very early riser. He will be willing to start at 7, 6, 7:30, 8 o'clock, and so there will be—I do not know how many literally—not hundreds of hours but 40, 50, 60 hours of debate, so hopefully we can move very quickly once we start on Monday.

AMENDMENT NO. 2280

Mr. DOLE. I send to the desk my amendment to the underlying bill, H.R. 4 in the form of a first-degree amendment.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows.

The Senator from Kansas [Mr. DOLE] proposes an amendment numbered 2280.

Mr. DOLE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

(The amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. DOLE. I know the amendment is probably several hundred pages.

The PRESIDING OFFICER. The Senator is correct.

Mr. DOLE. I just say for the information of all Senators, my first-degree amendment will be printed and available for all Members by late Monday morning. We believe we have introduced it in a way that when someone offers an amendment, they can be sure they are going to get a vote on their amendment. Nobody is going to be able to second degree it. If the Senator from New York has an amendment, there will be a vote on that amendment. It might be a tabling motion, but there will be a vote on or in relation to the amendment.

So I think we are ready to go, and I know the Senator from New York has been waiting to make a statement. I appreciate his patience.

Mr. MOYNIHAN. May I first thank the distinguished majority leader, the Republican leader, for the tone and the openness with which he begins once again a welfare debate.

We did this 7 years ago with the Family Support Act of 1988. I had introduced it a year earlier.

It was a bipartisan measure. It passed the Senate 96–1. President Reagan signed it in the company of the Governors who had been so much involved, then chairman of the association, Governor Clinton of Arkansas; the chairman of the committee of the Governors' Association concerned with this matter; then-Governor Castle of Delaware, now Representative Castle.

I regret that the time now has seemingly come when we will be asked to put an end to the Federal commitment to sharing State efforts to provide for the dependent children. They are a massive number. They overwhelm the capacity of our great cities. Would the Senator from Kansas believe, for example, that in the city of Los Angeles, 62 percent of all children are on AFDC, in Chicago 44 percent, in New York 28 percent, and in Detroit 79 percent? This is beyond—this is a social experience which we have had, of which there is no counterpart.

We put in place legislation in 1988, which has been working. States have been innovating. The results are beginning to appear. I will have a bill which is offered in the Finance Committee, the Family Support Act of 1995, bringing it up to date as I believe we should. The distinguished Democratic leader, with Senator MIKULSKI and Senator BREAUX, will have measures. We will have amendments. We will have a good debate. It need not be an endless debate. I hope the outcome will be better than is now forecast. And we will see.

Mr. President, I thank the Senate for giving me this time late in the day. I look forward to 10:30 on Monday morning when we will commence.

I yield the floor.

Mr. DOLE. I thank the Senator from New York.

MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business with Senators permitted to speak for up to 5 minutes each.

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

BEST WISHES TO ELIZABETH MACDONOUGH

Mr. DOLE. Mr. President, the Senate will lose one of its most dedicated floor staffers today. Elizabeth MacDonough will be leaving us to attend law school this fall at the University of Vermont. Liz has worked in the Senate for the past 5 years, first in the Senate Library as a legislative reference assistant, and then as the assistant morning business editor of the CONGRESSIONAL RECORD. In addition to her duties preparing the morning business section of the RECORD, Liz can be found sitting at the corner of the Reporters' table in the well of the Senate, listening intently to our every word, ready to

chase us down to retrieve those materials we have asked to have printed in the RECORD. We will miss her dedication and wonderful sense of humor. On behalf of all Senators, I say farewell and wish her good luck in all her future endeavors.

Mr. DASCHLE. Mr. President, let me also associate myself with the remarks of the majority leader with regard to Elizabeth McDonough. We will miss her. She has been a delight to work with. We wish her well as she goes on to school and hope that she comes back frequently. She has been a very, very important member of the floor staff, and we are delighted to have had the opportunity to work with her.

BASE CLOSURE COMMUNITY REDEVELOPMENT AND HOMELESS ASSISTANCE ACT

Mr. LAUTENBERG. Mr. President, the 1994 Base Closure Community Redevelopment and Homeless Assistance Act Public Law 103-421, signed into law October 25, 1994, applied not only to bases that would thereafter be designated for closure, but also to bases previously designated under the 1990 and 1988 Base Closure Acts, so long as the recognized redevelopment authority for the base elected within 60 days after enactment to proceed under the 1994 Act. The 1994 Act then set out a schedule for preparation, review, and approval of redevelopment plans and the ultimate disposal of property by the Government pursuant to such plans. This process will unavoidably extend beyond the end of the current fiscal year. Indeed, regulations to guide the implementing agencies and local redevelopment authorities under the 1994 Act will be published on Monday, August 7, 1995.

In order to fulfill the intent and purpose of the 1994 Act, the Department of Defense must retain authority to dispose of bases closed in the 1988 and 1990 Acts, beyond the end of the current fiscal year. Unfortunately, the General Services Administration's original delegation of its authority to dispose of surplus property to the DOD was by its own terms set to expire October 1, 1995. Particularly in light of later amendments to the base closure laws which clarified that DOD's disposal authority was to extend beyond that date, GSA should renew—indeed, it is required—to extend its delegation of authority.

This matter is of great interest to the local redevelopment authority in East Hanover Township, NJ, which is working within the 1994 Act to prepare a redevelopment plan for a small base closed under the 1988 Act. I understand that there are one or more bases around the country similarly situated.

I had intended to offer an amendment to make it absolutely clear that DOD's disposal authority continues beyond the current fiscal year, and mandate the appropriate delegation of authority by GSA. However, I have received assurances from the GSA that it fully intends to extend its delegation of authority. I have also received a copy of a memorandum from DOD's general counsel's office expressing its view that DOD retains its disposal authority. In reliance on these statements, I will withhold my amendment.

However, I would like to seek the commitment from the chairman and ranking member that they will seek an appropriate legislative solution in conference, should it appear before conference is completed that, for some reason, the delegation will not be renewed by the agencies.

Mr. THURMOND. It is certainly the intent of the committee that the DOD shall continue to exercise authority beyond October 1, 1995, to dispose of 1988 bases whose redevelopment authorities elected to proceed under the 1994 Act. The appropriate agencies are apparently on track to make sure that the authority is in place. However, if there is a snag, I assure my colleague from New Jersey that we will be prepared to correct the matter in conference. In the meantime, I appreciate my colleague's withholding his amendment at this time.

Mr. NUNN. I concur with the chairman and join in his commitment.

Mr. LAUTENBERG. I thank my distinguished colleagues. I ask unanimous consent that the full text of a letter to me from the General Services Administration be placed in the RECORD, along with a memorandum from the general counsel's office of DOD.

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

GENERAL SERVICES ADMINISTRATION,
PUBLIC BUILDINGS SERVICE,
Washington, DC, August 3, 1995.

Hon. FRANK LAUTENBERG,
U.S. Senate,
Washington, DC.

DEAR SENATOR LAUTENBERG: As discussed with Mr. Mitch Warren of your staff and Ms. Marcia Herzog of the General Service Administration (GAS's) Office of Congressional and Intergovernmental Affairs, I am responding to your concerns with respect to GSA's extension of disposal authority to the Department of Defense (DOD) pursuant the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526) of October 24, 1988. The delegation, under its own terms, will expire on October 1, 1995.

Last week this Office received from DOD the Fiscal Year 1994 Annual Report, required by the current delegation, detailing DOD's exercise of the Administrator of General Services' disposal authority under the Federal Property and Administrative Services Act of 1949, as amended. As discussed with Mr. Warren on July 25, 1995, receipt of this report was requisite to our extension of the delegation.

We are in the process of reviewing DOD's report. Upon completion of our review, we intend to transmit an extension to DOD no later than August 31, 1995.

I hope this information is responsive to your concerns.

Sincerely,

DAVID L. BIBB
(FOR KENNETH R. KIMBROUGH,
Commissioner).

DEPARTMENT OF DEFENSE,
OFFICE OF GENERAL COUNCIL,
Washington, DC, August 2, 1995.

MEMORANDUM FOR THE SPECIAL ASSISTANT TO THE ASSISTANT SECRETARY OF DEFENSE FOR ECONOMIC SECURITY

Subject: Status of the Delegation of GSA's Authority Under the Federal Property and Administrative Services Act of 1949 with respect to Installations Closed or Realigned Pursuant to the Base Closure and Realignment Act of 1900

The 1988 BRAC Act directed the Administrator of GSA to delegate him authority under Federal Property and Administrative Services Act of 1949 with respect to property at installations closed or realigned pursuant to the 1988 BRAC Act to the Secretary of Defense. 1988 BRAC Act at Section 204(b). The Administrator's delegation to the Secretary of Defense pursuant to this provision was issued with an expiration date of September 30, 1995.

Under the 1988 BRAC Act, the authority of the Secretary to carry out any closure or realignment "shall terminate on October 1, 1995," except that the termination of authority "shall not apply to the authority of the Secretary to carry out . . . disposal of property of [1 military installations closed or realigned under this title." BRAC Act at Section 202(c). Because the 1980 BRAC Act as originally enacted did not contain any exemption from the general termination of authority, the limited term delegation of authority by GSA was entirely appropriate. However, as the 1988 BRAC Act is currently written (as the result of amendment over the years), there is no question that the Administrator of GSA is obligated to delegate his authority to the Secretary of Defense with respect to BRAC 1988 installations. This legal conclusion has been agreed to by all parties within the Department of Defense who have examined the issue, including the Department of the Army, and it has been agreed to by Rich Butterworth, the lawyer for GSA who is responsible for all BRAC-related issues.

The Department of the Army has been acting as DoD's executive agent for purposes of securing an extension to the GSA delegation. It has shared a draft request for an extension with GSA, and the only issue that arose as a result was the fact that DoD had failed to submit a report on the disposition of properties pursuant to the delegated authority to GSA, GSA told the Army that it would not extend the delegation until DoD submitted the required report, but it also told the Army that there were no other impediments, legal or otherwise, that would therefore with the issuance of a new delegation.

In response to inquiries about the tardy report, work on the report was promptly completed, and the report was submitted from DoD to GSA more than two weeks ago. I have been informed by GSA that there are no remaining barriers to the issuance of an extended delegation.

The formal request for a new delegation, however, has not yet been submitted by DoD. The request is being staffed by the Department of the Army, and the Army anticipates that it will clear its review process shortly after the end of this week. I have requested

the Army to forward the request to your offices, to the attention of Robert Hertfeld, for prompt proceeding.

ROBERT S. TAYLOR,
Deputy General Counsel,
Environment and Installations.

IS CONGRESS IRRESPONSIBLE? CONSIDER THE ARITHMETIC

Mr. HELMS. Mr. President, the impression will not go away: The $4.9 trillion Federal debt stands today as a sort of grotesque parallel to television's energizer bunny that appears and appears and appears in precisely the same way that the Federal debt keeps going up and up and up.

Politicians like to talk a good game—and "talk" is the operative word—about reducing the Federal deficit and bringing the Federal debt under control. But watch how they vote.

Control, Mr. President. As of Thursday, August 3, at the close of business, the total Federal debt stood at exactly $4,956,664,786,501.42 or $18,815.58 per man, woman, child on a per capita basis. Res ipsa loquitur.

Some control, is it not?

AGREEMENT BETWEEN THE UNITED STATES AND THE GOVERNMENT OF THE REPUBLIC OF BULGARIA—MESSAGE FROM THE PRESIDENT—PM 75

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

I am pleased to transmit to the Congress, pursuant to sections 123 b. and 123 d. of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2153(b), (d)), the text of a proposed Agreement Between the Government of the United States of America and the Government of the Republic of Bulgaria for Cooperation in the Field of Peaceful Uses of Nuclear Energy with accompanying annex and agreed minute. I am also pleased to transmit my written approval, authorization, and determination concerning the agreement, and the memorandum of the Director of the United States Arms Control and Disarmament Agency with the Nuclear Proliferation Assessment Statement concerning the agreement. The joint memorandum submitted to me by the Secretary of State and the Secretary of Energy, which includes a summary of the provisions of the agreement and various other attachments, including agency views, is also enclosed.

The proposed agreement with the Republic of Bulgaria has been negotiated in accordance with the Atomic Energy Act of 1954, as amended by the Nuclear Non-Proliferation Act of 1978 and as otherwise amended. In my judgment, the proposed agreement meets all statutory requirements and will advance the non-proliferation and other foreign policy interests of the United States. It provides a comprehensive framework for peaceful nuclear cooperation between the United States and Bulgaria under appropriate conditions and controls reflecting our strong common commitment to nuclear non-proliferation goals.

Bulgaria has consistently supported international efforts to prevent the spread of nuclear weapons. It was an original signatory of the Non-Proliferation Treaty (NPT) and has strongly supported the Treaty. As a subscriber to the Nuclear Supplier Group (NSG) Guidelines, it is committed to implementing a responsible nuclear export policy. It played a constructive role in the NSG effort to develop additional guidelines for the export of nuclear-related dual-use commodities. In 1990 it initiated a policy of requiring full-scope International Atomic Energy Agency (IAEA) safeguards as a condition of significant new nuclear supply to other nonnuclear weapon states.

I believe that peaceful nuclear cooperation with Bulgaria under the proposed agreement will be fully consistent with, and supportive of, our policy of responding positively and constructively to the process of democratization and economic reform in Eastern Europe. Cooperation under the agreement will also provide opportunities for U.S. business in terms that fully protect vital U.S. national security interests.

I have considered the views and recommendations of the interested agencies in reviewing the proposed agreement and have determined that its performance will promote, and will not constitute an unreasonable risk to, the common defense and security. Accordingly, I have approved the agreement and authorized its execution and urge that the Congress give it favorable consideration.

Because this agreement meets all applicable requirements of the Atomic Energy Act, as amended, for agreements for peaceful nuclear cooperation, I am transmitting it to the Congress without exempting it from any requirement contained in section 123 a. of that Act. This transmission shall constitute a submittal for purposes of both sections 123 b. and 123 d. of the Atomic Energy Act. The Administration is prepared to begin immediately the consultations with the Senate Foreign Relations and House Foreign Affairs Committees as provided in section 123 b. Upon completion of the 30-day continuous session period provided for in section 123 b., the 60-day continuous session period provided for in section 123 d. shall commence.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *August 4, 1995.*

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-277. A petition from a citizen of the State of Kansas relative to the Federal Reserve Bank; to the Committee on the Judiciary.

POM-278. A petition from a citizen of the State of Kansas relative to the Federal Reserve Bank; to the Committee on the Judiciary.

POM-279. A petition from a citizen of the State of Kansas relative to the Federal Reserve Bank; to the Committee on the Judiciary.

POM-280. A petition from a citizen of the State of Nebraska relative to the Federal Reserve Bank; to the Committee on the Judiciary.

POM-281. A petition from a citizen of the Commonwealth of Massachusetts relative to impeachment; to the Committee on the Judiciary.

POM-282. A petition adopted by the Council of the City of Toledo, Ohio relative to the assault weapons ban; to the Committee on the Judiciary.

POM-283. A resolution adopted by the Unitarian Universalist Congregation of the City of Binghamton, New York relative to the school prayer; to the Committee on the Judiciary.

POM-284. A joint resolution adopted by the Legislature of the State of Illinois; to the Committee on the Judiciary.

"HOUSE JOINT RESOLUTION NO. 33

"Whereas, although the right of free expression is part of the foundation of the Constitution of the United States, very carefully drawn limits on expression in specific instances have long been recognized as legitimate means of maintaining public safety and prohibiting patently offensive behavior; and

"Whereas, certain actions, although arguably related to rights of expression, nevertheless raise issues concerning public decency, public peace, and the rights of other citizens; and

"Whereas, certain symbols of our national soul, such as the Washington Monument, the United States Capitol, and memorials to our greatest Leaders, are the property of every American and are worthy of protection from desecration and dishonor; and

"Whereas, the United States Flag is a most honorable and worthy symbol of a nation that is thankful for its strengths and committed to curing its faults, a nation that remains the destination of millions of immigrants attracted by the universal power of the America ideal; and

"Whereas, the law as interpreted by the United States Supreme Court no longer accords the Flag the reverence, respect, and dignity befitting that symbol of the most noble experiment of a nation-state; and

"Whereas, it is appropriate that people everywhere should forcefully call for restoration of the Flag to a proper status that is protected by law and decency; therefore, be it

"Resolved, by the House of Representatives of the Eighty-Ninth General Assembly of the State of Illinois, the Senate concurring herein, That we urge the Congress of the United States to propose to the States an amendment to the Constitution of the United States which specifies that Congress and the States have the power to prohibit the physical desecration of the United States Flag; and be it further

"*Resolved*, That suitable copies of this resolution be delivered to the President pro tempore of the United States Senate, the Speaker of the United States House of Representatives, and each member of the Illinois Congressional Delegation."

POM-285. A resolution adopted by the Senate of the General Assembly of the State of Colorado; to the Committee on the Judiciary.

"SENATE MEMORIAL 95-2

"Whereas, our government is based upon the principle that all political power is vested in and derived from the people and that all persons have certain essential and inalienable rights; and

"Whereas, in support of the amendments to the Constitution, James Madison stated to the United States House of Representatives that he believed '. . . that the great mass of the people who opposed (the new Constitution) disliked it because it did not contain effectual provisions against the encroachments on particular rights, and those safeguards which they have been long accustomed to have interposed between them and the magistrate who exercises the sovereign power . . .'; and

"Whereas, after considerable debate, the Constitution of the United States was amended by the first ten amendments collectively known as the Bill of Rights in order to formally recognize and establish the inalienable rights of each and every individual; and

"Whereas, all of the rights protected in the United States Bill of Rights are important and should be respected; and

"Whereas, the Fourth Amendment states: 'The right of the people to be secure in their persons, houses, papers and effects against unreasonable searches and seizures shall not be violated; and no warrant shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized.'; and

"Whereas, the exclusionary rule has been central to implementation of the Fourth Amendment in the federal courts for almost a century; and

"Whereas, the exclusionary rule has worked well to protect the privacy and dignity of all Americans and to protect the integrity of law enforcement; and

"Whereas, our government must avoid federal attempts through legislation to weaken the Fourth Amendment; and

"Whereas, the inevitable result of federal attempts to weaken the Fourth Amendment would be an increase in the number of warrantless searches and a decrease in the privacy rights of all Americans, the innocent as well as the guilty: Now, therefore, be it

"*Resolved by the Senate of the Sixtieth General Assembly of the State of Colorado:* That we, the members of the Colorado Senate, hereby support the right of citizens to be free from unreasonable searches and seizures as set out in the current language of the Fourth Amendment to the United States Constitution and urge Congress to make every effort necessary to protect the integrity of the Fourth Amendment, be it further

"*Resolved*, That copies of this Memorial be transmitted to the Clerk of the United States Senate, the Clerk of the United States House of Representatives, the Governor of the State of Colorado, and the Colorado Congressional Delegation."

POM-286. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on the Judiciary.

"SENATE CONCURRENT RESOLUTION NO. 33

"Whereas, the United States flag is a symbol of patriotism and celebration of American freedom; and

"Whereas, desecration of the flag disgusts and enrages many citizens of the United States, including veterans who have fought to uphold what the flag symbolizes; and

"Whereas, the Supreme Court of the United States has held that flag burning is protected speech under the First Amendment of the Constitution of the United States and consequently, cannot be banned; and

"Whereas, congressional votes in both houses fell just short of the two-thirds majority needed for a constitutional amendment to ban flag burning in 1990; and

"Whereas, the Citizens Flag Alliance has currently signed up one hundred eighty-four sponsors in the House of Representatives and Senate for a bill to overturn the Supreme Court rulings; and

"Whereas, a Gallup Poll commissioned by the American Legion showed that as many as eighty percent of Americans support a ban on flag burning, therefore, be it

"*Resolved*, That the Legislature of Louisiana memorializes the Congress of the United States to propose an amendment to the Constitution of the United States to prohibit the burning of the United States flag, be it further

"*Resolved*, That a copy of this Resolution shall be transmitted to the secretary of the United States Senate and the clerk of the United States House of Representatives and to each member of the Louisiana congressional delegation."

POM-287. A joint resolution adopted by the Legislation of the State of Nevada; to the Committee on the Judiciary.

"SENATE JOINT RESOLUTION NO. 2

"WHEREAS, the United States Supreme Court, in *Misouri v. Jenkins*, 110 Sup. Ct. 1651 (1990), extended the power of the judicial branch of government by holding that a federal court has the power to order an increase in state and local taxes; and

"WHEREAS, this unprecedented decision violates one of the fundamental tenets of the doctrine of separation of powers, that the members of the federal judiciary should not have the power to tax; and

"WHEREAS, in response to this decision, several members of Congress have introduced a proposal to amend the Constitution of the United States to reestablish the principle that the judiciary does not have the power to tax; and

"WHEREAS, in addition to being introduced in Congress such a constitutional amendment, has also been proposed by several states; and

"WHEREAS, the passage of such a constitutional amendment, first by a two-thirds majority in both houses of Congress and then by three-fourths of the several states' legislatures or conventions, would serve to reverse an erroneous decision; and

"WHEREAS, the proposed amendment to the Constitution of the United States properly seeks to prevent federal courts from levying or increasing taxes without representation of the people and against the people's wishes; Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of Nevada jointly*," That the Nevada Legislature hereby urges Congress to propose and submit to the several states for ratification an amendment to the Constitution of the United States, providing that neither the Supreme Court of the United States nor any inferior court of the United States has the power to instruct or order a state or political subdivision thereof, or an officer of a state or political subdivision, to levy or increases taxes; and be it further

"*Resolved*, That the Nevada Legislature calls upon the Nevada Congressional Delegation to use immediately the full measure of their resources and influence to ensure the passage of the amendment to the Constitution of the United States; and be it further

"*Resolved*, That the Nevada Legislature urges the legislatures of each of the several states comprising the United States which have not yet made similar requests to urge Congress to propose and submit to the several states for ratification an amendment to the Constitution of the United States; and be it further;

"*Resolved*, That the Secretary of the Senate prepare and transmit a copy of this resolution to the Vice President of the United States as the presiding officer of the Senate, the Speaker of the House of Representatives, each member of the Nevada Congressional Delegation, and the presiding officer any minority party leader in each house of the legislatures of each state in the Union; and be it further

"*Resolved*, That this resolution becomes effective upon passage and approval."

POM-288. A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on the Judiciary.

"ASSEMBLY JOINT RESOLUTION NO. 34

"Whereas, the protection, conservation and allocation of taxes collected from the residents of this state is a matter within the purview of the Nevada Legislature; and

"Whereas, the State of Nevada has finite resources for funding services and programs which are essential to the residents of this state; and

"Whereas, the State of Nevada is firmly committed to complying fully with all constitutional requirements for the care and custody of prisoners in this state and with any applicable order concerning the care and custody of prisoners entered by a court of competent jurisdiction; and

"Whereas, judicial decisions requiring this state to provide care and custody of prisoners which exceeds constitutional requirements may have a detrimental fiscal impact upon this state; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of Nevada, jointly*, That the Nevada Legislature urges the Congress of the United States to pass legislation that would prohibit a court from limiting or reducing the number of prisoners housed in an institution unless a plaintiff proves that overcrowding is the primary cause of the deprivation of a constitutional right and that no other relief would remedy that deprivation, and would limit any relief ordered by the court to that which is necessary to remove the conditions depriving the plaintiff of the constitutional right; and be it further

"*Resolved*, That the Chief Clerk of the Assembly prepare and transmit a copy of this resolution to the Vice President of the United States as presiding officer of the Senate, the Speaker of the House of Representatives and each member of the Nevada Congressional Delegation; and be it further

"*Resolved*, That this resolution becomes effective upon passage and approval."

POM-289. A concurrent resolution adopted by the Legislature of the State of Texas; to the Committee on the Judiciary.

"HOUSE CONCURRENT RESOLUTION NO. 30

"Whereas, in response to an Act of Congress approved April 10, 1869, the 12th Legislature of the State of Texas convened in Provisional Session from February 8 to February 24, 1870, and ratified Amendments XIII, XIV, and XV to the United States Constitution; and

"Whereas, those federal constitutional amendments, each ratified by separate joint resolutions of the 12th Legislature on February 15, 1870, solidified some of the most precious rights that have been guaranteed constitutionally to Americans, particularly ethnic minorities who were granted the blessings of equal citizenship and the beginning of an end to their past oppression; and

"Whereas, Amendment XIII eliminated forever the practice of slavery, Amendment XIV promised due process and the equal protection of the laws, and Amendment XV prohibited denial of suffrage on the grounds of race, color, or previous condition of servitude; and

"Whereas, over time, copies of the three resolutions regrettably have vanished from the holdings of the Texas state archives, yet others are preserved in Washington, D.C., by virtue of their certification and transmittal to the Secretary of State of the United States and to the presiding officers of the United States Congress; and

"Whereas, the 1995 Regular Session of the 74th Legislature coincides with the 125th anniversary of these historic ratification actions and marks an appropriate time for the conveyance to this state of replicas of the three resolutions so that Texans may view and appreciate a series of documents that have played such an important role in the extension and elaboration of their civil rights: Now, therefore, be it

"*Resolved*, That the 74th Legislature of the State of Texas, Regular Session, 1995, hereby respectfully request the National Archives and Records Administration to make copies of the joint resolutions of the 12th Texas Legislature ratifying Amendments XIII, XIV, and XV to the United States Constitution and transmit those copies to the Texas State Library and Archives Commission for placement in the state archives; and, be it further

"*Resolved*, That the Texas secretary of state forward copies of this resolution to the archivist of the United States at the National Archives and Records Administration, to the vice-president of the United States and speaker of the United States House of Representatives with a request that this resolution be officially entered in the Congressional Record, and to all members of the Texas delegation to the United States Congress, as an official request to the federal government by the 74th Legislature of the State of Texas; and be it further

"*Resolved*, That if and when such replicas are received from the National Archives and Records Administration, the Texas State Library and Archives Commission be hereby directed to place them in the holdings of the state archives to be available for public viewing and photocopying and in all other respects to be treated as any other material worthy of archival storage and retrieval."

POM-290. A joint resolution adopted by the General Assembly of the State of Tennessee; to the Committee on the Judiciary.

"SENATE JOINT RESOLUTION NO. 15

"Whereas, the founders of our nation appended to the Constitution of the United States ten amendments commonly known as the Bill of Rights; and

"Whereas, the First Amendment of the Constitution of the United States provides that 'Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the government for a redress of grievances'; and

"Whereas, the Ninth Amendment of the Constitution of the United States provides that 'The enumeration in the Constitution, of certain rights, shall not be construed to deny or disparage others retained by the people'; and

"Whereas, the clear and express intent of the framers of the Constitution was to prevent the Federal Government from interfering with the right of the people to freely exercise and express their religious beliefs; and

"Whereas, for more than one hundred and fifty years the people, acting through their state and local governments, enjoyed the freedom to provide for prayer and religious expression in their schools and public assemblies; and

"Whereas, beginning in the 1960's, the United States Supreme Court has issued a series of rulings that have systematically stripped from the people their historic and constitutionally guaranteed right to provide for prayer, religious study and religious expression in schools and public assemblies; and

"Whereas, to date, the Congress of the United States has failed or refused to restore to the people their right to provide for prayer, religious study and religious expression in schools and public assemblies; and

"Whereas, it is now time for the citizens of this nation to reclaim and reassert our First Amendment rights which constitutionally guarantee our freedom of religion and freedom of religious expression: Now, therefore, be it

"*Resolved by the Senate of the Ninety-Ninth General Assembly of the State of Tennessee, the House of Representatives concurring*, That this General Assembly hereby memorializes the United States Congress to propose an amendment to the United States Constitution to restore to the American people the right to free religious expression, including the right to allow non-sectarian prayer, religious study and religious expression in public schools and other public assemblies, and to submit such constitutional amendment to the several states for proper ratification, be it further

"*Resolved*, That the Chief Clerk of the Senate is directed to transmit an enrolled copy of this resolution to the Speaker and the Clerk of the U.S. House of Representatives; the President and the Secretary of the U.S. Senate; and to each member of Tennessee's Congressional delegation."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BOND, from the Committee on Small Business, with an amendment in the nature of a substitute:

S. 895. A bill to amend the Small Business Act to reduce the level of participation by the Small Business Administration in certain loans guaranteed by the Administration, and for other purposes (Rept. No. 104-129).

ADDITIONAL COSPONSORS

S. 895

At the request of Mr. BOND, the names of the Senator from Arkansas [Mr. BUMPERS], the Senator from Minnesota [Mr. WELLSTONE], the Senator from Montana [Mr. BURNS], and the Senator from Maine [Ms. SNOWE] were added as cosponsors of S. 895, a bill to amend the Small Business Act to reduce the level of participation by the Small Business Administration in certain loans guaranteed by the Administration, and for other purposes.

AMENDMENTS SUBMITTED

THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996

MIKULSKI (AND SARBANES) AMENDMENT NO. 2126

(Ordered to lie on the table.)

Ms. MIKULSKI (for herself and Mr. SARBANES) submitted an amendment intended to be proposed by them to the bill (S. 1026) to authorize appropriations for fiscal year 1996 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; as follows:

On page 468, below line 24, add the following:

SEC. 2825. CONSOLIDATION OF DISPOSAL OF PROPERTY AND FACILITIES AT FORT HOLABIRD, MARYLAND.

(a) CONSOLIDATION.—Notwithstanding any other provision of law, the Secretary of Defense shall dispose of the property and facilities at Fort Holabird, Maryland, described in subsection (b) in accordance with the provisions of the 1990 base closure law as such provisions apply to the closure or realignment of military installations approved for closure or realignment under that law in 1995.

(b) COVERED PROPERTY AND FACILITIES.—Subsection (a) applies to the following property and facilities at Fort Holabird, Maryland:

(1) Property and facilities that were approved for closure or realignment under the 1988 base Closure law that are not disposed of as of the date of the enactment of this Act, including buildings 305 and 306 and the parking lots and other property associated with such buildings.

(2) Property and facilities that are approved for closure or realignment under the 1990 base closure law in 1995.

(c) USE OF SURVEYS AND OTHER EVALUATIONS OF PROPERTY.—In carrying out the disposal of the property and facilities referred to in subsection (b)(1), the Secretary shall utilize any surveys and other evaluations of such property and facilities that are prepared by the Corps of Engineers before the date of the enactment of this Act as part of the process for the disposal of such property and facilities under the 1988 base closure law.

(d) DEFINITIONS.—In this section:

(1) The term "1988 base closure law" means title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note).

(2) The term "1990 base closure law" means the Defense Base closure and Realignment

Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note).

SEC. 2826. LAND CONVEYANCE, PROPERTY UNDERLYING CUMMINS APARTMENT COMPLEX, FORT HOLABIRD, MARYLAND.

(a) CONVEYANCE AUTHORIZED.—Notwithstanding any other provision of law, the Secretary of the Army may convey to the existing owner of the improvements thereon all right, title, and interest of the United States in and to a parcel of real property underlying the Cummins Apartment Complex at Fort Holabird, Maryland, consisting of approximately 6 acres.

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the owner of the improvements referred to in that subsection shall pay to the United States an amount equal to the fair market value (as determined by the Secretary) of the property interest to be conveyed.

GLENN (AND OTHERS) AMENDMENT NO. 2127

(Ordered to lie on the table.)

Mr. GLENN (for himself, Mrs. FEINSTEIN, Mr. PELL, and Mr. MOYNIHAN) submitted an amendment intended to be proposed by them to the bill S. 1026, supra, as follows:

On page 49, between lines 14 and 15, insert the following:

SEC. 224. JOINT SEISMIC PROGRAM AND GLOBAL SEISMIC NETWORK.

To the extent provided in appropriations Acts, $9,500,000 of the unobligated balance of funds available to the Air Force for research, development, test, and evaluation for fiscal year 1995 for the Defense Support Program shall be available for continuation of the Joint Seismic Program and Global Seismic Network.

LEAHY AMENDMENT NO. 2128

Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 1026, supra, as follows:

On page 358, beginning on line 5, strike out "personnel." and all that follows through line 8 on that page, and insert in lieu thereof "personnel.'.".

GRASSLEY AMENDMENT NO. 2129

Mr. GRASSLEY submitted an amendment intended to be proposed by him to the bill S. 1026. supra, as follows:

At the appropriate place in title X of the bill, insert the following:

SEC. 10_. REDUCTION IN OPERATIONAL SUPPORT AIRCRAFT FLEET.

(a) REDUCTION IN NUMBER OF AIRCRAFT.—(1) After September 30, 1996, the number of aircraft of the Department of Defense performing functions that as of June 1, 1995, were performed by aircraft designated as Operational Support Aircraft may not exceed three-quarters of the number of such aircraft as of June 1, 1995.

(2) After September 30, 1997, the number of aircraft of the Department of Defense performing functions that as of June 1, 1995, were performed by aircraft designated as Operational Support Aircraft may not exceed one-half of the number of such aircraft as of June 1, 1995.

(3) The Secretary of Defense may authorize a higher number of Operational Support aircraft to perform functions referred to in paragraph (1) or (2) than would otherwise be authorized under the applicable paragraph if the Secretary certifies to Congress that the additional Operational Support aircraft are required by reason of a war declared by Congress.

(b) EXECUTIVE AGENT.—The Secretary of Defense shall designate the Secretary of one of the military departments to be the executive agent of the Department of Defense for maintenance and operation of all fixed-wing aircraft performing the functions that were performed as of June 1, 1995, by aircraft designated as Operational Support Aircraft.

(c) REGULATIONS.—(1) The Secretary of Defense shall prescribe regulations for the operation, maintenance, and use of fixed-wing aircraft to perform the functions performed as of June 1, 1995, by aircraft designated as Operational Support Aircraft. The regulations shall apply uniformly throughout the Department of Defense.

(2) The regulations shall, to the maximum extent practicable, provide for the use of commercial airlines or aircraft (including charter services) to perform the functions referred to in paragraph (1).

(3) The regulations may not require the use of aircraft designated as Operational Support Aircraft by any group or class of individuals.

(d) NATIONAL CAPITAL AREA HELICOPTER USAGE.—After September 30, 1996, the only helicopters of the Department of Defense that may be used for administrative purposes in the National Capital area are the helicopters assigned for the support of the President.

(e) USE OF SAVINGS.—The Secretary of Defense shall utilize any savings that result from the operation of this section (including the regulations prescribed under subsection (c)) for purposes of maintaining and improving the readiness of the Armed Forces.

SMITH AMENDMENTS NOS. 2130–2131

(Ordered to lie on the table.)

Mr. SMITH submitted two amendments intended to be proposed by him to the bill, S. 1026, supra; as follows:

AMENDMENT NO. 2130

SEC. . DEPRESSED ALTITUDE GUIDED GUN ROUND SYSTEM.

Of the funds authorized for Army RDT&E, $5 million may be utilized to continue development of the Depressed Altitude Guided Gun Round System.

AMENDMENT NO. 2131

On page 468, strike lines 16 through 24 and insert the following:

"The requirements of subparagraph (B) shall not apply in any case in which the transfer of the property occurs or has occurred by means of a lease, without regard to whether the lessee has agreed to purchase the property or whether the duration of the lease is longer than 55 years. In the case of a lease entered into after September 30, 1995, with respect to real property located at an installation approved for closure or realignment under a base closure law, the agency leasing the property, in consultation with the Administrator, shall determine before leasing the property that the property is suitable for lease, that the uses contemplated for the lease are consistent with protection of human health and the environment, and that there are adequate assurances that the United States will take all remedial action referred to in subparagraph (B) that has not been taken on the date of the lease.".

McCAIN AMENDMENT NO. 2132

(Ordered to lie on the table.)

Mr. McCAIN submitted an amendment intended to be proposed by him to the bill, S. 1026, supra, as follows:

On page 331, between lines 19 and 20, insert the following:

SEC. 1008. SUPPLEMENTAL FUNDING REQUESTS FOR COSTS OF PEACEKEEPING AND OTHER CONTINGENCY OPERATIONS.

(a) REQUIREMENT FOR TIMELY SUBMISSION.—(1) Chapter 9 of title 10, United States Code, is amended by inserting after section 227 the following:

"§ 228. Supplemental funding request for peacekeeping and other operations

"(a) IN GENERAL.—The procedures set forth in this section shall be followed in the case of each operation in which members of the armed forces are deployed—

"(1) to provide or to participate in providing support to a United Nations peacekeeping or peace enforcement operation;

"(2) to conduct an operation that is a contingency operation within the meaning of section 101(a)(13) of this title;

"(3) to provide or to participate in providing humanitarian assistance, disaster relief, or support for law enforcement (including immigration control) for which funds have not been specifically provided in advance; or

(4) for a purpose (except for a training exercise) for which funds have not been specifically provided in advance.

"(b) REQUIREMENT FOR TIMELY SUBMISSION OF REQUEST.—Not later than 45 days after the date on which members of the armed forces are deployed in an operation described in subsection (a), the President shall submit to Congress the following;

"(1) A report containing the following information:

"(A) The objectives of the operation.

"(B) A discussion of the necessity for use of the armed forces.

"(C) The estimated duration of the operation and of deployment of armed forces personnel.

"(D) The estimated incremental cost of the operation to the United States.

"(E) The exit strategy and criteria for withdrawal.

"(F) The amount of any supplemental appropriations that are necessary to pay the estimated incremental cost enumerated as follows:

"(i) The amount necessary for reimbursing appropriations used to pay any of such costs.

"(ii) The amount necessary to pay any of such costs that are not paid out of existing appropriations.

"(2) Either—

"(A) a request for a supplemental appropriation of the funds necessary for paying all of the incremental costs of the operation (either directly or by reimbursement of other appropriations used for paying such costs) together with a request for rescission of funds from one or more appropriations to departments and agencies of the Federal Government in amounts sufficient to fully offset the total amount of the supplemental funding requested; or

"(B) if the President determines that it is necessary in the national security interests of the United States, an emergency supplemental appropriation request for paying all of the incremental costs of the operation (either directly or by reimbursement of other appropriations used for paying such costs).

"(c) REQUIREMENTS RELATING TO ADDITIONAL SUPPLEMENTAL APPROPRIATIONS.—If, after a supplemental appropriation has been

requested for an operation under subsection (b) and has been provided by law, an additional supplemental appropriation becomes necessary for the operation before the withdrawal of all armed forces personnel from the operation, the President shall submit to Congress a revised report described in paragraph (1) of subsection (b) and an additional request for supplemental funding and rescissions, or for an emergency supplemental funding and rescissions, or for an emergency supplemental appropriation, as described in paragraph (2) of such subsection. The President shall submit the revised report and the request for additional supplemental funding and rescission, or for an emergency supplemental appropriation, as soon as the President determines that the additional supplemental appropriation is necessary.

"(d) REPORT ON MATERIAL CHANGES.—Within seven days after the President determines that there has been a material change in circumstances discussed in a report under subsection (b)(1), the President shall submit to Congress a revised report incorporating each material change.

"(e) TRANSFER AND USE OF FUNDS PRIOR TO SUPPLEMENTAL APPROPRIATIONS.—(1) Whenever armed forces personnel are deployed in an operation of the Department of Defense described in subsection (a), the Secretary of Defense shall, subject to the provisions of appropriations Acts, transfer amounts described in paragraph (2) to appropriations from which funds have been transferred or expended for incremental expenses of that operation in order to reimburse those appropriations for the amounts so transferred or expended. Amounts transferred under this paragraph shall be merged with, and be available for the same purposes and periods as, the appropriations to which transferred.

"(2) Transfers under this subsection may be made only from amounts appropriated to the Department of Defense for a fiscal year that remain available for obligation for administration and servicewide activities of the Department of Defense.

"(3) A transfer made from one appropriation to another under the authority of this subsection shall be deemed to increase the amount authorized for the appropriation to which transferred by an amount equal to the amount transferred.

"(4) Supplemental appropriations provided with respect to an operation when requested pursuant to this section shall be used to reimburse the appropriations from which transfers are made under this subsection.

"(5) The Secretary of Defense shall issue regulations to carry out this subsection.

"(f) WAIVER OF REQUIREMENT TO REIMBURSE SUPPORT UNITS.—(1) When a unit of the armed forces participating in an operation described in subsection (a) receives services from an element of the Department of Defense that operates through the Defense Business Operations Fund, any working capital fund, any revolving fund, or any fund similar to the Defense Business Operations Fund, the unit may not be required to reimburse that element of the department for any incremental cost incurred by that element of the department in providing such services, notwithstanding any other provision of law or any Government accounting practice, until supplemental appropriations are available for doing so.

"(2) The amounts to be reimbursed to an element of the Department of Defense (or a fund) out of a supplemental appropriation in accordance with paragraph (1) shall be recorded as an expense attributable to the operation and shall be accounted for separately.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 227 the following:

"228. Supplemental funding request for peacekeeping and other operations.".

(b) WAIVER OF DISCRETIONARY SPENDING FIREWALLS.—For purposes of supplemental appropriations and rescissions requested under subsection (b) or (c) of section 228 of title 10, United States Code (as added by subsection (a)), the discretionary spending limit provided in section 201 of House Concurrent Resolution 63 (104th Congress, first session) for fiscal year 1996 shall be the sum of the limits for the defense and nondefense categories.

(c) EXPEDITIOUS CONGRESSIONAL ACTION.—It is the sense of Congress that Congress should act expeditiously on requests for supplemental appropriations submitted in accordance with section 228 of title 10, United States Code, as added by subsection (a).

(d) INAPPLICABILITY OF TRANSFER AUTHORITY.—The transfer authority provided in section 1001 may not be exercised for purposes of funding operations referred to in section 228 of title 10, United States Code, as added by subsection (a).

(e) PROSPECTIVE APPLICABILITY TO OPERATIONS.—Section 228 of title 10, United States Code (as added by subsection (a)), shall apply only to operations described in subsection (a) of such section that begin on or after the date of the enactment of this Act.

(f) OPERATIONS BEFORE DATE OF ENACTMENT.—The President shall include in the budgets for fiscal years after fiscal year 1996 that are submitted to Congress under section 1105(a) of title 31, United States Code, any amounts that are necessary for paying all of the costs of any operation described in section 228(a) of title 10, United States Code (as added by subsection (a)), that began before the date of the enactment of this Act and is ongoing on such date.

McCAIN (AND FEINSTEIN) AMENDMENT NO. 2133

(Ordered to lie on the table.)

Mr. McCAIN (for himself and Mrs. FEINSTEIN) submitted an amendment intended to be proposed by them to the bill, S. 1026, supra; as follows:

On page 468, below line 24, add the following:

SEC. 2825. IMPROVEMENT OF BASE CLOSURE AND REALIGNMENT PROCESS.

(a) APPLICABILITY.—Subparagraph (A) of section 2905(b)(7) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended by striking out "Determinations of the use to assist the homeless of buildings and property located at installations approved for closure under this part" and inserting in lieu thereof "Procedures for the disposal of buildings and property located at installations approved for closure or realignment under this part".

(b) REDEVELOPMENT AUTHORITIES.—Subparagraph (B) of such section is amended by adding at the end the following:

"(iii) The chief executive officer of the State in which an installation covered by this paragraph is located may assist in resolving any disputes among citizens or groups of citizens as to the individuals and groups constituting the redevelopment authority for the installation.".

(c) AGREEMENTS UNDER REDEVELOPMENT PLANS.—Subparagraph (F)(ii)(I) of such section is amended in the second sentence by striking out "the approval of the redevelopment plan by the Secretary of Housing and Urban Development under subparagraph (H) or (J)" and inserting in lieu thereof "the decision regarding the disposal of the buildings and property covered by the agreements by the Secretary of Defense under subparagraph (K) or (L)".

(d) REVISION OF REDEVELOPMENT PLANS.—Subparagraph (I) of such section is amended by inserting "the Secretary of Defense and" before "the Secretary of Housing and Urban Development" each place it appears.

(e) DISPOSAL OF BUILDINGS AND PROPERTY.—(1) Subparagraph (K) of such section is amended to read as follows:

"(K)(i) Upon receipt of a notice under subparagraph (H)(iv) or (J)(ii) of the determination of the Secretary of Housing and Urban Development that a redevelopment plan for an installation meets the requirements set forth in subparagraph (H)(i), the Secretary of Defense shall dispose of the buildings and property at the installation.

"(ii) For purposes of carrying out an environmental assessment of the closure or realignment of an installation, the Secretary shall treat the redevelopment plan for the installation (including the aspects of the plan providing for disposal to State or local governments, representatives of the homeless, and other interested parties) as part of the proposed Federal action for the installation.

"(iii) The Secretary shall dispose of buildings and property under clause (i) in accordance with the record of decision or other decision document prepared by the Secretary in accordance with the National Environmental Policy Act of 1969 (42 U.S.C. 4331 et seq.) In preparing the record of decision or other decision document, the Secretary shall give substantial deference to the redevelopment plan concerned.

"(iv) The disposal under clause (i) of buildings and property to assist the homeless shall be without consideration.

"(v) In the case of a request for a conveyance under clause (i) of buildings and property for public benefit under section 203(k) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(k)) and subchapter II of chapter 471 of title 49, United States Code, the applicant and use proposed in the request shall be determined to be eligible for the public benefit conveyance under the eligibility criteria set forth in such section or such subchapter. The determination of such eligibility should be made before the redevelopment plan concerned under subparagraph (G) ".

(2) Subparagraph (L) of such section is amended by striking out clauses (iii) and (iv) and inserting in lieu thereof the following new clauses (iii) and (iv):

"(iii) Not later than 90 days after the date of the receipt of a revised plan for an installation under subparagraph (J), the Secretary of Housing and Urban Development shall—

"(I) notify the Secretary of Defense and the redevelopment authority concerned of the buildings and property at an installation under clause (i)(IV) that the Secretary of Housing and Urban Development determines are suitable for use to assist the homeless; and

"(II) notify the Secretary of Defense of the extent to which the revised plan meets the criteria set forth in subparagraph (H)(i).

"(iv)(I) Upon notice from the Secretary of Housing and Urban Development with respect to an installation under clause (iii),

the Secretary of Defense shall, after consultation with the Secretary of Housing and Urban Development and redevelopment authority concerned, dispose of buildings and property at the installation.

"(II) For purposes of carrying out an environmental assessment of the closure or realignment of an installation, the Secretary shall treat the redevelopment plan for the installation (including the aspects of the plan providing for disposal to State or local governments, representatives of the homeless, and other interested parties) as part of the proposed Federal action for the installation.

"(III) The Secretary shall dispose of buildings and property under subclause (I) in accordance with the record of decision or other decision document prepared by the Secretary in accordance with the National Environmental Policy Act of 1969 (42 U.S.C. 4331 et seq.) In preparing the record of decision or other decision document, the Secretary shall give deference to the redevelopment plan concerned.

"(IV) The disposal under subclause (I) of buildings and property to assist the homeless shall be without consideration.

"(V) In the case of a request for a conveyance under clause (i) of buildings and property for public benefit under section 203(k) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(k)) and subchapter II of chapter 471 of title 49, United States Code, the applicant and use proposed in the request shall be determined to be eligible for the public benefit conveyance under the eligibility criteria set forth in such section or such subchapter. The determination of such eligibility should be made before the redevelopment plan concerned under subparagraph (G) ".

(f) CONFORMING AMENDMENT.—Subparagraph (M)(i) of such section is amended by inserting "or (L)" after "subparagraph (K)".

(g) CLARIFICATION OF PARTICIPANTS IN PROCESS.—Such section is further amended by adding at the end the following:

"(P) For purposes of this paragraph, the term 'other interested parties', in the case of an installation, includes any parties eligible for the conveyance of property of the installation under section 203(k) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(k)) or subchapter II of chapter 471 of title 49, United States Code, whether or not the parties assist the homeless.".

(h) TECHNICAL AMENDMENTS.—Section 2910 of such Act is amended—

(1) by designating the paragraph (10) added by section 2(b) of the Base Closure Community Redevelopment and Homeless Assistance Act of 1994 (Public Law 103-421; 108 Stat. 4352) as paragraph (11); and

(2) in such paragraph, as so designated, by striking out "section 501(h)(4) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411(h)(4))" and inserting in lieu thereof "section 501(i)(4) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411(i)(4))".

SEC. 2826. EXERCISE OF AUTHORITY DELEGATED BY THE ADMINISTRATOR OF GENERAL SERVICES.

Section 2905(b)(2) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended—

(1) in subparagraph (A)—

(A) by striking out "Subject to subparagraph (C)" in the matter preceding clause (i) and inserting in lieu thereof "Subject to subparagraph (B)"; and

(B) by striking out "in effect on the date of the enactment of this Act" each place it appears in clauses (i) and (ii);

(2) by striking out subparagraphs (B) and (C) and inserting in lieu thereof the following new subparagraph (B):

"(B) The Secretary may, with the concurrence of the Administrator of General Services—

"(i) prescribe general policies and methods for utilizing excess property and disposing of surplus property pursuant to the authority delegated under paragraph (1); and

"(ii) issue regulations relating to such policies and methods which regulations supersede the regulations referred to in subparagraph (A) with respect to that authority."; and

(3) by redesignating subparagraphs (D) and (E) as subparagraphs (C) and (D), respectively.

SEC. 2827. LEASE BACK OF PROPERTY DISPOSED FROM INSTALLATIONS APPROVED FOR CLOSURE OR REALIGNMENT.

(a) AUTHORITY.—Section 2905(b)(4) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended—

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

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

"(C)(i) The Secretary may transfer real property at an installation approved for closure or realignment under this part (including property at an installation approved for realignment which property will be retained by the Department of Defense or another Federal agency after realignment) to the redevelopment authority for the installation if the redevelopment authority agrees to lease, directly upon transfer, all or a significant portion of the property transferred under this subparagraph to the Secretary or to the head of another department or agency of the Federal Government. Subparagraph (B) shall apply to a transfer under this subparagraph.

"(ii) A lease under clause (i) shall be for a term of not to exceed 50 years, but may provide for options for renewal or extension of the term by the department or agency concerned.

"(iii) A lease under clause (i) may not require rental payments by the United States.

"(iv) A lease under clause (i) shall include a provision specifying that if the department or agency concerned ceases requiring the use of the leased property before the expiration of the term of the lease, the remainder of the lease term may, upon approval by the redevelopment authority concerned, be satisfied by the same or another department or agency of the Federal Government using the property for a use similar to the use under the lease.".

(b) USE OF FUNDS TO IMPROVE LEASED PROPERTY.—Notwithstanding any other provision of law, a department or agency of the Federal Government that enters into a lease of property under section 2905(b)(4)(C) of the such Act, as amended by subsection (a), may use funds appropriated or otherwise available to the department or agency for such purpose to improve the leased property.

SEC. 2828. PROCEEDS OF LEASES AT INSTALLATIONS APPROVED FOR CLOSURE OR REALIGNMENT.

(a) INTERIM LEASES.—Section 2667(d) of title 10, United States Code, is amended—

(1) in paragraph (1)(A)—

(A) by striking out "and" at the end of clause (i);

(B) by striking out the period at the end of clause (ii) and inserting in lieu thereof "; and"; and

(C) by adding at the end the following:

"(iii) money rentals referred to in paragraph (5).."; and

(2) by adding at the end the following:

"(5) Money rentals received by the United States under subsection (f) shall be deposited in the Department of Defense Base Closure Account 1990 established under section 2906(a) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note).".

(b) DEPOSIT IN 1990 ACCOUNT.—Section 2906(a)(2) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended—

(1) in subparagraph (C)—

(A) by striking out "transfer or disposal" and inserting in lieu thereof "transfer, lease, or other disposal"; and

(B) by striking out "and" at the end;

(2) in subparagraph (D)—

(A) by striking out "transfer or disposal" and inserting in lieu thereof "transfer, lease, or other disposal"; and

(B) by striking out the period at the end and inserting in lieu thereof "; and"; and

(3) by adding at the end the following:

"(E) money rentals received by the United States under section 2667(f) of title 10, United States Code.".

KOHL AMENDMENTS NOS. 2134-2135

(Ordered to lie on the table.)

Mr. KOHL submitted two amendments intended to be proposed by him to the bill, S. 1026, supra, as follows:

AMENDMENT NO. 2134

On page 89, strike out lines 13 through 22 and insert in lieu thereof the following:

"(e) TECHNICAL ASSISTANCE.—(1) The members of a technical review committee or restoration advisory board may use funds made available under subsection (g)—

"(A) to obtain technical assistance in interpreting scientific and engineering issues with regard to the nature of environmental hazards at an installation and the restoration activities proposed for or conducted at the installation; and

"(B) to assist such members and affected citizens in participating more effectively in environmental restoration activities at the installation.

"(2) The Commander of an installation may obtain technical assistance for a technical review committee or restoration advisory board under paragraph (1) with respect to an installation only if—

"(A) the restoration advisory board has demonstrated that the Federal, State, and local agencies responsible for overseeing environmental restoration at the installation, and available Department of Defense personnel, do not have the technical expertise necessary for achieving the objective for which the technical assistance is to be obtained;

"(B) the technical assistance is likely to contribute to the efficiency, effectiveness, or timeliness of environmental restoration activities at the installation; and

"(C) the technical assistance is likely to contribute to community acceptance of environmental activities at the installation.".

On page 90, line 20, strike out "until" and insert in lieu thereof "after March 1, 1996, unless".

AMENDMENT NO. 2135

On page 89, strike out lines 1 through 22 and insert in lieu thereof the following:

"(e) TECHNICAL ASSISTANCE.—(1) The members of a technical review committee or restoration advisory board may use funds made available under subsection (g)—

"(A) to obtain technical assistance in interpreting scientific and engineering issues with regard to the nature of environmental hazards at an installation and the restoration activities proposed for or conducted at the installation; and

"(B) to assist such members and affected citizens in participating more effectively in environmental restoration activities at the installation.

"(2) A technical review committee or restoration advisory board may obtain technical assistance under paragraph (1) with respect to an installation if—

"(A) the restoration advisory board has demonstrated that the Federal, State, and local agencies responsible for overseeing environmental restoration at the installation, and available Department of Defense personnel, do not have the technical expertise necessary for achieving the objective for which the technical assistance is to be obtained;

"(B) the technical assistance is likely to contribute to the efficiency, effectiveness, or timeliness of environmental restoration activities at the installation; and

"(C) the technical assistance is likely to contribute to community acceptance of environmental activities at the installation.".

On page 90, line 20, strike out "until" and insert in lieu thereof "after March 1, 1996, unless".

SMITH AMENDMENT NO. 2136

(Ordered to lie on the table.)

Mr. SMITH submitted an amendment intended to be proposed by him to the bill, S. 1026, supra, as follows:

At the appropriate point in the bill, insert the following:

SEC. . NAMING AMPHIBIOUS SHIPS.

(a) FINDINGS.—The Senate finds that—

(1) This year is the fiftieth anniversary of the battle of Iwo Jima, one of the great victories in all of the Marine Corps' illustrious history.

(2) The Navy has recently retired the ship that honored that battle, the U.S.S. Iwo Jima (LPH-2), the first ship in a class of amphibious assault ships.

(3) This Act authorizes the LHD-7, the final ship of the Wasp class of amphibious assault ships that will replace the Iwo Jima class of ships.

(4) The Navy is planning to start building a new class of amphibious transport docks, now called the LPD-17 class. This Act also authorizes funds that will lead to procurement of these vessels.

(5) There has been some confusion in the rationale behind naming new naval vessels with traditional naming conventions frequently violated.

(6) Although there have been good and sufficient reasons to depart from naming conventions in the past, the rationale for such departures has not always been clear.

(b) SENSE OF THE SENATE.—In light of these findings, expressed in subsection (a), it is the sense of the Senate that the Secretary of the Navy should:

(1) Name the LHD-7 the U.S.S. Iwo Jima.

(2) Name the LPD-17 and all future ships of the LPD-17 class after famous Marine Corps battles or famous Marine Corps heros.

BOXER AMENDMENT NO. 2137

(Ordered to lie on the table.)

Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 1026, supra; as follows:

On page 487, below line 24, add the following:

SEC. 2838. LAND CONVEYANCE, FORT ORD, CALIFORNIA.

(a) AUTHORITY TO CONVEY.—(1) Notwithstanding any other provision of law, the Secretary of Defense may convey to the City of Seaside, California (in this section referred to as the "City"), all right, title, and interest of the United States in and to a parcel of real property (including improvements thereon) consisting of approximately 477 acres located in Monterey County, California, and comprising a portion of the former Fort Ord Military Complex.

(2) The real property to be conveyed to the City under paragraph (1) shall include Black Horse Golf Course and Bayonet Golf Course and such portion of the Hayes Housing Facilities as the Secretary determines appropriate.

(b) CONSIDERATION.—As consideration for the conveyance of the real property and improvements under subsection (a), the City shall pay to the United States an amount equal to the fair market value of the property to be conveyed.

(c) USE OF PROCEEDS.—(1) The Secretary shall deposit the funds paid by the City under subsection (b) in the accounts referred to in paragraph (2). The Secretary may allocate the funds deposited among the accounts.

(2) The accounts referred to in paragraph (1) are the following:

(A) The Defense Base Closure and Realignment Account 1990 established under section 2906(a) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note).

(B) The Morale, Welfare, and Recreation Fund of the Department of the Army.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property (including improvements thereon) to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary and the City. The cost of the survey shall be borne by the City.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

(f) REPORT REQUIREMENTS.—(1) Not later than 60 days after the date of the enactment of this Act, the Secretary shall submit to Congress a report describing the plans, if any, of the Secretary for the conveyance of the real property described in subsection (a).

(2) If the report submitted under paragraph (1) indicates that the Secretary will convey the real property referred to in that paragraph, the Secretary shall, beginning 60 days after the date of the submittal of the report under paragraph (1) and every 60 days thereafter, submit to Congress a report describing the progress of the Secretary toward completing the conveyance. The requirement set forth in the preceding sentence shall cease on the date of the conveyance of the real property under subsection (a).

DOMENICI AMENDMENT NO. 2138

(Ordered to lie on the table.)

Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill, S. 1026, supra, as follows:

On page , strike lines through , and insert in lieu thereof and renumber accordingly:

(1) TRANSITIONAL COMPENSATION FOR DEPENDENTS OF MEMBERS OF THE ARMED FORCES SEPARATED FOR DEPENDENT ABUSE.—

(A) MANDATORY PROGRAM.—Subsection (a) of section 1058 of title 10, United States Code, is amended by striking out "may establish a program" and inserting in lieu thereof "shall establish a program."

(B) PAYMENT TO DEPENDENTS OF MEMBERS NOT DISCHARGED.—Subsection (d) of such section is amended by striking out "of separation from active duty as" in the first sentence.

(C) SUBJECT TO APPROPRIATION.—The new authority granted by the amendment in (1)(A) shall be effective only to the extent and in such amounts as are provided, for that purpose, in advance in appropriations acts.

DOMENICI (AND BINGAMAN) AMENDMENT NO. 2139

(Ordered to lie on the table.)

Mr. DOMENICI (for himself and Mr. BINGAMAN) submitted an amendment intended to be proposed by them to the bill, S. 1026, supra, as follows:

On page 570, between lines 10 and 11, insert the following:

SEC. 3168. APPLICABILITY OF ATOMIC ENERGY COMMUNITY ACT OF 1955 TO LOS ALAMOS, NEW MEXICO.

(a) DATE OF TRANSFER OF UTILITIES.—Section 72 of the Atomic Energy Community Act of 1955 (42 U.S.C. 2372) is amended by striking out "not later than five years after the date it is included within this Act" and inserting in lieu thereof "not later than June 30, 2001".

(b) DATE OF TRANSFER OF MUNICIPAL INSTALLATIONS.—Section 83 of such Act (42 U.S.C. 2383) is amended by striking out "not later than five years after the date it is included within this Act" and inserting in lieu thereof "not later than June 30, 2001".

(c) RECOMMENDATION FOR FURTHER ASSISTANCE PAYMENTS.—Section 91 of such Act (42 U.S.C. 2391) is amended—

(1) by striking out ", and the Los Alamos School Board;" and all that follows through "county of Los Alamos, New Mexico" and inserting in lieu thereof "; or not later than June 30, 1996, in the case of the Los Alamos School Board and the county of Los Alamos, New Mexico"; and

(2) by adding at the end the following new sentence: "If the recommendation under the preceding sentence regarding the Los Alamos School Board or the county of Los Alamos, New Mexico, indicates a need for further assistance for the school board or the county, as the case may be, after June 30, 1998, the recommendation shall include a report and plan describing the actions required to eliminate the need for further assistance for the school board or the county, including a proposal for legislative action to carry out the plan.".

(d) CONTRACT TO MAKE PAYMENTS.—Section 94 of such Act (42 U.S.C. 2394) is amended—

(1) by striking out "June 30, 1996" each place it appears in the proviso in the first sentence and inserting in lieu thereoff "June 30, 1998"; and

(2) by striking out "July 1, 1996" in the second sentence and inserting in lieu thereofff "July 1, 1998".

PRYOR AMENDMENTS NOS. 2140–2142

(Ordered to lie on the table.)

Mr. PRYOR submitted three amendments intended to be proposed by him to the bill, S. 1026, supra, as follows:

AMENDMENT NO. 2140

On page 371, below line 21, add the following:

SEC. 1062. REPORTS ON ARMS EXPORT CONTROL AND MILITARY ASSISTANCE.

(a) REPORTS BY SECRETARY OF STATE.—Not later than 180 days after the date of the enactment of this Act and every year thereafter until 1998, the Secretary of State shall submit to Congress a report setting forth—

(1) an organizational plan to include those firms on the Department of State licensing watchlists that—

(A) engage in the exportation of potentially sensitive or dual-use technologies; and

(B) have been identified or tracked by similar systems maintained by the Department of Defense, Department of Commerce, or the United States Customs Service; and

(2) further measures to be taken to strengthen United States export-control mechanisms.

(b) REPORTS BY INSPECTOR GENERAL.—(1) Not later than 180 days after the date of the enactment of this Act and 1 year thereafter, the Inspector General of the Department of State and the Foreign Service shall submit to Congress a report on the evaluation by the Inspector General of the effectiveness of the watch-list screening process at the Department of State during the preceding year. The report shall be submitted in both a classified and unclassified version.

(2) Each report under paragraph (1) shall—

(A) set forth the number of licenses granted to parties on the watch-list;

(B) set forth the number of end-use checks performed by the Department;

(C) assess the screening process used by the Department in granting a license when an applicant is on a watch-list; and

(D) assess the extent to which the watch-list contains all relevant information and parties required by statute or regulation.

(c) ANNUAL MILITARY ASSISTANCE REPORT.—The Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) is amended by inserting after section 654 the following new section:

"SEC. 655 ANNUAL MILITARY ASSISTANCE REPORT.

"(a) IN GENERAL.—Not later than February 1 of 1996 and 1997, the President shall transmit to Congress an annual report for the fiscal year ending the previous September 30, showing the aggregate dollar value and quantity of defense articles (including excess defense articles) and defense services, and of military education and training, furnished by the United States to each foreign country and international organization, by category, specifying whether they were furnished by grant under chapter 2 or chapter 5 of part II of this Act or by sale under chapter 2 of the Arms Control Export-Control Act or authorized by commercial sale license under section 38 of that Act.

"(b) ADDITIONAL CONTENTS OF REPORTS.—Each report shall also include the total amount of military items of non-United States manufacture being imported into the United States. The report should contain the country of origin, the type of item being imported, and the total amount of items.".

AMENDMENT NO. 2141

On page 468, below line 24, add the following:

SEC. 2825. APPLICABILITY OF NATIONAL ENVIRONMENTAL POLICY ACT TO INTERIM LEASES OF PROPERTY AT INSTALLATIONS APPROVED FOR CLOSURE OR REALIGNMENT.

Section 2667(f) of title 10, United States Code, is amended by adding at the end the following:

"(4) Notwithstanding any other provision of law, a lease of property under this section shall not constitute a major Federal action for purposes of section 102(2) for purposes of the National Environmental Policy Act of 1969 (42 U.S.C. 4322(2)) if the term of the lease is 10 years or less.".

AMENDMENT NO. 2142

On page 69, between lines 9 and 10, insert the following:

SEC. 242. TESTING OF THEATER MISSILE DEFENSE INTERCEPTORS.

(a) TESTING INDICATORS.—(1) The Secretary of Defense shall establish for each theater missile defense acquisition program a series of test and evaluation maturity indicators adequate to provide an assessment of the progress of the program at each of the program decision points referred to in paragraph (2). The Secretary shall ensure that the maturity indicators for a program reflect and incorporate the approved baseline of performance and schedule for the program.

(2) The Secretary shall establish test and evaluation maturity indicators for each of the following program decision points:

(A) Critical design review.

(B) Long-lead low-rate initial production.

(C) Low-rate initial production.

(D) Long-lead full-rate production.

(E) Full-rate production.

(b) USE OF INDICATORS.—(1) For each theater missile defense acquisition program for which the Secretary establishes test and evaluation maturity indicators under subsection (a), the Director of Operational Test and Evaluation shall carry out an operational assessment of the program using the indicators at each of the program decision points referred to in paragraph (2) of that subsection.

(2) Each operational assessment under paragraph (1) shall be sufficient to permit the Director to form an opinion as to whether or not the program meets, at the decision point in question, the performance and schedule requirements specified in the approved baseline of performance and schedule for the program.

(3) The Director shall submit each operational assessment carried out under this subsection to the Secretary and to the congressional defense committees.

PRYOR (AND ROTH) AMENDMENT NO. 2143

(Ordered to lie on the table.)

Mr. PRYOR (for himself and Mr. ROTH) submitted an amendment to be proposed by them to the bill, S. 1026, supra, as follows:

On page 69, between lines 9 and 10, insert the following:

SEC. 242. SENSE OF SENATE ON THE DIRECTOR OF OPERATIONAL TEST AND EVALUATION.

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

(1) The Office of the Director of Operational Test and Evaluation of the Department of Defense was created by Congress to provide an independent validation and verification on the suitability and effectiveness of new weapons, and to ensure that the United States military departments acquire weapons that are proven in an operational environment before they are produced and used in combat.

(2) The office is currently making significant contributions to the process by which the Department of Defense acquires new weapons by providing vital insights on operational weapons tests to be used in this acquisition process.

(3) The office provides vital services to Congress in providing an independent certification on the performance of new weapons that have been operationally tested.

(4) A provision of H.R. 1530, an Act entitled "An Act to authorize appropriations for fiscal year 1996 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"; agreed to by the House of Representatives on June 15, 1995, contains a provision that could substantially diminish the authority and responsibilities of the office and perhaps cause the elimination of the office and its functions.

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

(1) the authority and responsibilities of the Office of the Director of Operational Test and Evaluation of the Department of Defense should not be diminished or eliminated; and

(2) the conferees on H.R. 1530, an Act entitled "An Act to authorize appropriations for fiscal year 1996 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" should not propose to Congress a conference report on that Act that would either diminish or eliminate the Office of the Director of Operational Test and Evaluation or its functions.

GLENN (AND OTHERS) AMENDMENT NO. 2144

(Ordered to lie on the table.)

Mr. GLENN (for himself, Mr. GRASSLEY, and Mr. ROTH) submitted an amendment to be proposed by them to the bill, S. 1026, supra, as follows:

Beginning on page 321, strike out line 15 and all that follows through page 325, line 18, and insert in lieu thereof the following:

"(b) CREDITS TO ACCOUNT.—(1) Under regulations prescribed by the Secretary of Defense, and upon a determination by the Secretary concerned of the availability and source of excess funds as described in subparagraph (A) or (B), the Secretary may transfer to the Defense Modernization Account during any fiscal year—

"(A) any amount of unexpired funds available to the Secretary for procurements that, as a result of economies, efficiencies, and other savings achieved in the procurements, are excess to the funding requirements of the procurements; and

"(B) any amount of unexpired funds available to the Secretary for support of installations and facilities that, as a result of economies, efficiencies, and other savings, are excess to the funding requirements for support of installations and facilities.

"(2) Funds referred to in paragraph (1) may not be transferred to the Defense Modernization Account by a Secretary concerned if—

"(A) the funds are necessary for programs, projects, and activities that, as determined by the Secretary, have a higher priority than the purposes for which the funds would be available if transferred to that account; or

"(B) the balance of funds in the account, after transfer of funds to the account would exceed $1,000,000,000.

"(3) Amounts credited to the Defense Modernization Account shall remain available

for transfer until the end of the third fiscal year that follows the fiscal year in which the amounts are credited to the account.

"(4) The period of availability of funds for expenditure provided for in sections 1551 and 1552 of title 31 shall not be extended by transfer into the Defense Modernization Account.

"(c) ATTRIBUTION OF FUNDS.—The funds transferred to the Defense Modernization Account by a military department, Defense Agency, or other element of the Department of Defense shall be available in accordance with subsections (f) and (g) only for that military department, Defense Agency, or element.

"(d) USE OF FUNDS.—Funds available from the Defense Modernization Account pursuant to subsection (f) or (g) may be used only for the following purposes:

"(1) For increasing, subject to subsection (e), the quantity of items and services procured under a procurement program in order to achieve a more efficient production or delivery rate.

"(2) For research, development, test and evaluation and procurement necessary for modernization of an existing system or of a system being procured under an ongoing procurement program.

"(e) LIMITATIONS.—(1) Funds from the Defense Modernization Account may not be used to increase the quantity of an item or services procured under a particular procurement program to the extent that doing so would—

"(A) result in procurement of a total quantity of items or services in excess of—

"(i) a specific limitation provided in law on the quantity of the items or services that may be procured; or

"(ii) the requirement for the items or services as approved by the Joint Requirements Oversight Council and reported to Congress by the Secretary of Defense; or

"(B) result in an obligation or expenditure of funds in excess of a specific limitation provided in law on the amount that may be obligated or expended, respectively, for the procurement program.

"(2) Funds from the Defense Modernization Account may not be used for a purpose or program for which Congress has not authorized appropriations.

"(3) Funds may not be transferred from the Defense Modernization Account in any year for the purpose of—

"(A) making any expenditure for which there is no corresponding obligation; or

"(B) making any expenditure that would satisfy an unliquidated or unrecorded obligation arising in a prior fiscal year.

"(f) TRANSFER OF FUNDS.—(1) Funds in the Defense Modernization Account may be transferred in any fiscal year to appropriations available for use for purposes set forth in subsection (d).

"(2) Before funds in the Defense Modernization Account are transferred under paragraph (1), the Secretary concerned shall transmit to the congressional defense committees a notification of the amount and purpose of the proposed transfer.

"(3) The total amount of the transfers from the Defense Modernization Account may not exceed $500,000,000 in any fiscal year.

"(g) AVAILABILITY OF FUNDS FOR APPROPRIATION.—Funds in the Defense Modernization Account may be appropriated for purposes set forth in subsection (d) to the extent provided in Acts authorizing appropriations for the Defense of the Defense.

"(h) SECRETARY TO ACT THROUGH COMPTROLLER.—In exercising authority under this section, the Secretary of Defense shall act through the Under Secretary of Defense (Comptroller), who shall be authorized to implement this section through the issuance of any necessary regulations, policies, and procedures after consultation with the General Counsel and Inspector General of the Department of Defense.

"(i) QUARTERLY REPORT.—Not later than 15 days after the end of each calendar quarter, the Secretary of Defense shall submit to the appropriate committees of Congress a report setting forth the amount and source of each credit to the Defense Modernization Account during the quarter and the amount and purpose of each transfer from the account during the quarter.

"(j) DEFINITIONS.—In this section:

"(1) The term 'Secretary concerned' includes the Secretary of Defense.

"(2) The term 'unexpired funds' means funds appropriated for a definite period that remain available for obligation.

"(3) The term 'congressional defense committees' means—

"(A) the Committees on Armed Services and Appropriations of the Senate; and

"(B) the Committees on National Security and Appropriations of the House of Representatives.

"(4) The term 'appropriate committees of Congress' means—

"(A) the congressional defense committees;

"(B) the Committee on Governmental Affairs of the Senate; and

"(C) the Committee on Government Reform and Oversight of the House of Representatives.

"(k) INAPPLICABILITY TO COAST GUARD.—This section does not apply to the Coast Guard when it is not operating as a service in the Navy.".

(2) The table of sections at the beginning of chapter 131 of such title is amended by adding at the end the following:

"2221. Defense Modernization Account.".

(b) EFFECTIVE DATE.—Section 2221 of title 10, United States Code (as added by subsection (a)), shall take effect on October 1, 1995, and shall apply only to funds appropriated for fiscal years beginning on or after that date.

(c) EXPIRATION OF AUTHORITY AND ACCOUNT.—(1) The authority under section 2221(b) of title 10, United States Code (as added by subsection (a)), to transfer funds into the Defense Modernization Account shall terminate on October 1, 2003.

(2) Three years after the termination of transfer authority under paragraph (1), the Defense Modernization Account shall be closed and the remaining balance in the account shall be canceled and thereafter shall not be available for any purpose.

(3)(A) The Comptroller General of the United States shall conduct two reviews of the administration of the Defense Modernization Account. In each review, the Comptroller General shall assess the operations and benefits of the account.

(B) Not later than March 1, 2000, the Comptroller General shall—

(i) complete the first review; and

(ii) submit to the appropriate committees of Congress an initial report on the administration and benefits of the Defense Modernization Account.

(C) Not later than March 1, 2003, the Comptroller General shall—

(i) complete the second review; and

(ii) submit to the appropriate committees of Congress a final report on the administration and benefits of the Defense Modernization Account.

(D) Each report shall include any recommended legislation regarding the account that the Comptroller General considers appropriate.

(E) In this paragraph, the term "appropriate committees of Congress" has the meaning given such term in section 2221(j)(4) of title 10, United States Code, as added by subsection (a).

GLENN AMENDMENT NO. 2145

(Ordered to lie on the table.)

Mr. GLENN submitted an amendment to be proposed by him to the bill, S. 1026, supra, as follows:

On page 110, after line 19, insert the following:

SEC. 365. OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID PROGRAMS.

(a) GAO REPORT.—Not later than December 15, 1995, the Comptroller General of the United States shall provide to the Congressional Defense Committees a report on—

(1) Existing funding mechanisms available to cover the costs associated with the Overseas Humanitarian, Disaster, and Civic Assistance activities through funds provided to the Department of State or the Agency for International Development, and

(2) if such mechanisms do not exist, actions necessary to institute such mechanisms, including any changes in existing law or regulations.

On page 70, in line 25, strike "$20,000,000" and insert in lieu thereof "$60,000,000".

On page 70, after line 25, insert the following:

The amount authorized to be appropriated by section 301(5) is hereby reduced by $40,000,000.

HEFLIN (AND SHELBY) AMENDMENT NO. 2146

(Ordered to lie on the table.)

Mr. HEFLIN (and Mr. SHELBY) submitted an amendment to be proposed by them to the bill, S. 1026, supra, as follows:

On page 16, line 20, strike out "$1,120,115,000" and insert in lieu thereof "$1,135,115,000".

On page 69, line 20, strike out "$18,086,206,000" and insert in lieu thereof "$18,071,206,000".

HEFLIN AMENDMENT NO. 2147

(Ordered to lie on the table.)

Mr. HEFLIN submitted an amendment intended to be proposed by him to the bill, S. 1026, supra, as follows:

On page 58, line 13, insert ", except that Minuteman boosters may not be part of a National Missile Defense Architecture" before the period at the end.

HEFLIN (AND SHELBY) AMENDMENTS NOS. 2148–2150

(Ordered to lie on the table.)

Mr. HEFLIN (for himself and Mr. SHELBY) submitted three amendments intended to be proposed by him to the bill, S. 1026, supra, as follows:

AMENDMENT NO. 2148

On page 69, between lines 9 and 10, insert the following:

SEC. 242. BALLISTIC MISSILE DEFENSE TECHNOLOGY CENTER.

(a) ESTABLISHMENT.—The Director of the Ballistic Missile Defense Organization shall

establish a Ballistic Missile Defense Technology Center within the Space and Strategic Defense Command of the Army.

(b) MISSION.—The missions of the Center are as follows:

(1) To maximize common application of ballistic missile defense component technology programs, target test programs, functional analysis and phenomenology investigations.

(2) To store data from the missile defense technology programs of the Armed Forces using computer facilities of the Missile Defense Data Center.

(c) TECHNOLOGY PROGRAM COORDINATION WITH CENTER.—The Secretary of Defense, acting through the Director of the Ballistic Missile Defense Organization, shall require the head of each element or activity of the Department of Defense beginning a new missile defense program referred to in subsection (b)(1) to first coordinate the program with the Ballistic Missile Defense Technology Center in order to prevent duplication of effort.

AMENDMENT NO. 2149

On page 16, line 20, strike out "$1,120,115,000" and insert in lieu thereof "$1,135,115,000".

AMENDMENT NO. 2150

On page 69, line 20, strike out "$18,086,206,000" and insert in lieu thereof "$18,071,206,000".

ROBB AMENDMENTS NOS. 2151–2152

(Ordered to lie on the table.)

Mr. ROBB submitted two amendments intended to be proposed by him to the bill, S. 1026, supra, as follows:

AMENDMENT NO. 2151

On page 331, between lines 19 and 20, insert the following:

"(3) If the total amount reported in accordance with paragraph (2) is less than $1,080,000,000, an additional separate listing described in paragraph (2) in a total amount equal to $1,080,000,000".

AMENDMENT NO. 2152

On page 137, after line 24, insert the following:

SEC. 389. REPORT ON PRIVATE PERFORMANCE OF CERTAIN FUNCTIONS PERFORMED BY MILITARY AIRCRAFT.

(a) REPORT REQUIRED.—Not later than May 1, 1996, the Secretary of Defense shall submit to Congress a report on the feasibility, including the costs and benefits, of using private sources for satisfying, in whole or in part, the requirements of the Department of Defense for VIP transportation by air, airlift for other personnel and for cargo, in-flight refueling of aircraft, and performance of such other military aircraft functions as the Secretary considers appropriate to discuss in the report.

(b) CONTENT OF REPORT.—The report shall include a discussion of the following:

(1) Contracting for the performance of the functions referred to in subsection (a).

(2) Converting to private ownership and operation the Department of Defense VIP air fleets, personnel and cargo aircraft, and in-flight refueling aircraft, and other Department of Defense aircraft.

(3) The wartime requirements for the various VIP and transport fleets.

(4) The assumptions used in the cost-benefit analysis.

(5) The effect on military personnel and facilities of using private sources, as described in paragraphs (1) and (2), for the purposes described in subsection (a).

THE TREASURY POSTAL-SERVICE APPROPRIATIONS ACT

NICKLES (AND OTHERS) AMENDMENT NO. 2153

Mr. NICKLES (for himself, Mr. THURMOND, Mr. THOMAS, Mr. CRAIG, Mr. COATS, Mr. INHOFE, and Mr. KEMPTHORNE) proposed an amendment to the bill (H.R. 2020) 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, 1996, and for other purposes, as follows:

At the end of the Committee amendment of Page 2, Line 14, add the following:

Sec. . No funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverage for abortions.

SEC. . The provision of section _____ shall not apply where the life of the mother would be endangered if the fetus were carried to term, or that the pregnancy is the result of an act of rape or incest.

THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996

BINGAMAN (AND OTHERS) AMENDMENT NOS. 2154–2155

(Ordered to lie on the table.)

Mr. ROBB (for himself, Mr. LAUTENBERG, Mr. EXON, and Mr. KERREY) submitted two amendments intended to be proposed by them to the bill, S. 1026, supra; as follows:

AMENDMENT NO. 2154

On page 331, between lines 19 and 20, insert the following:

SEC. 1008. FUNDING ADJUSTMENTS.

(a) PROCUREMENT.—Notwithstanding section 102(a)(3), the total amount authorized to be appropriated for fiscal year 1996 for procurement for the Navy for shipbuilding and conversion is $5,811,935,000.

(b) OPERATION AND MAINTENANCE.—Notwithstanding section 301, the total amount authorized to be appropriated for fiscal year 1996 for expenses, not otherwise provided for, for operation and maintenance for—

(1) the Army is $18,257,506,000;

(2) the Navy is $21,567,360,000;

(3) the Marine Corps is $2,413,711,000;

(4) the Air Force is $18,882,993,000;

(5) Defense-wide activities is $9,960,962,000;

(6) the Naval Reserve is $844,542,000; and

(7) Medical Programs, Defense, is $9,951,225,000.

(c) PERSONNEL.—Notwithstanding section 431, the total amount authorized to be appropriated for military personnel for fiscal year 1996 is $69,015,863,000.

AMENDMENT NO. 2155

On page 331, between lines 19 and 20, insert the following:

SEC. 1008. FUNDING ADJUSTMENTS.

(a) UNDISTRIBUTED REDUCTION IN PROCUREMENT AND RDT&E AUTHORIZATIONS.—Notwithstanding any other provision of this Act, the total amount authorized to be appropriated for the Department of Defense for fiscal year 1996 for procurement and for research, development, test, and evaluation is the total amount authorized to be appropriated under titles I and II reduced by $1,063,000,000.

(b) OPERATION AND MAINTENANCE.—Notwithstanding section 301, the total amount authorized to be appropriated for fiscal year 1996 for expenses, not otherwise provided for, for operation and maintenance for—

(1) the Army is $18,257,506,000;

(2) the Navy is $21,567,360,000;

(3) the Marine Corps is $2,413,711,000;

(4) the Air Force is $18,882,993,000;

(5) Defense-wide activities is $9,960,962,000;

(6) the Naval Reserve is $833,542,000; and

(7) Medical Programs, Defense, is $9,951,225,000.

(c) PERSONNEL.—Notwithstanding section 431, the total amount authorized to be appropriated for military personnel for fiscal year 1996 is $69,015,863,000.

BINGAMAN (AND LIEBERMAN) AMENDMENT NO. 2156

(Ordered to lie on the table.)

Mr. BINGAMAN (for himself and Mr. LIEBERMAN) submitted an amendment intended to be proposed by them to the bill, S. 1026, supra; as follows:

On page 331, between lines 19 and 20, insert the following:

SEC. 1008. FUNDING ADJUSTMENTS.

(a) PROCUREMENT.—(1) Notwithstanding section 101(2), the total amount authorized to be appropriated for fiscal year 1996 for procurement of missiles for the Army is $834,430,000.

(2) Notwithstanding section 103(3), the total amount authorized to be appropriated for fiscal year 1996 for other procurement for the Air Force is $6,516,001,000.

(b) RESEARCH, DEVELOPMENT, TEST, AND EVALUATION.—Notwithstanding section 201(4), the total amount authorized to be appropriated for fiscal year 1996 for research, development, test, and evaluation for Defense-wide activities is $9,623,148,000.

BINGAMAN (AND OTHERS) AMENDMENT NO. 2157

(Ordered to lie on the table.)

Mr. BINGAMAN (for himself, Mr. FEINGOLD, and Mr. WELLSTONE) submitted an amendment intended to be proposed by them to the bill, S. 1026, supra; as follows:

On page 515, between lines 2 and 3, insert the following:

SEC. 2864. RENOVATION OF THE PENTAGON RESERVATION.

The Secretary of Defense shall take such action as is necessary to reduce the total cost of the renovation of the Pentagon Reservation to not more than $1,118,000,000.

BINGAMAN AMENDMENT NO. 2158

(Ordered to lie on the table.)

Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill, S. 1026, supra; as follows:

Beginning on page 384, strike out line 18 and all that follows through page 385, line 14.

BINGAMAN (AND DOMENICI) AMENDMENT NO. 2159

(Ordered to lie on the table.)

Mr. BINGAMAN (for himself and Mr. DOMENICI) submitted an amendment intended to be proposed by them to the bill, S. 1026, supra; as follows:

On page 570, between lines 10 and 11, insert the following:

SEC. 3168. APPLICABILITY OF ATOMIC ENERGY COMMUNITY ACT OF 1955 TO LOS ALAMOS, NEW MEXICO.

(a) DATE OF TRANSFER OF UTILITIES.—Section 72 of the Atomic Energy Community Act of 1955 (42 U.S.C. 2372) is amended by striking out "not later than five years after the date it is included within this Act" and inserting in lieu thereof "not later than June 30, 2001".

(b) DATE OF TRANSFER OF MUNICIPAL INSTALLATIONS.—Section 83 of such Act (42 U.S.C. 2383) is amended by striking out "not later than five years after the date it is included within this Act" and inserting in lieu thereof "not later than June 30, 2001".

(c) RECOMMENDATION FOR FURTHER ASSISTANCE PAYMENTS.—Section 91 of such Act (42 U.S.C. 2391) is amended—

(1) by striking out ", and the Los Alamos School Board;" and all that follows through "county of Los Alamos, New Mexico" and inserting in lieu thereof "; or not later than June 30, 1996, in the case of the Los Alamos School Board and the county of Los Alamos, New Mexico"; and

(2) by adding at the end the following new sentence: "If the recommendation under the preceding sentence regarding the Los Alamos School Board or the county of Los Alamos, New Mexico, indicates a need for further assistance for the school board or the county, as the case may be, after June 30, 1998, the recommendation shall include a report and plan describing the actions required to eliminate the need for further assistance for the school board or the county, including a proposal for legislative action to carry out the plan.".

(b) CONTRACT TO MAKE PAYMENTS.—Section 94 of such Act (42 U.S.C. 2394) is amended—

(1) by striking out "June 30, 1996" each place it appears in the proviso in the first sentence and inserting in lieu thereof "June 30, 1998"; and

(2) by striking out "July 1, 1996" in the second sentence and inserting in lieu thereof "July 1, 1998".

BROWN AMENDMENTS NOS. 2160–2163

(Ordered to lie on the table.)

Mr. BROWN submitted four amendments intended to be proposed by him to the bill, S. 1026, supra; as follows:

AMENDMENT NO. 2160

At the appropriate place, insert:

(a) FINDINGS.—

(1) The purpose of the General Agreement on Tariffs and Trade (hereafter in this amendment referred to as the "GATT") and the World Trade Organization (hereafter in this amendment referred to as the "WTO") is to enable member countries to conduct trade based upon free market principles, by limiting government intervention in the form of state subsidies, by limiting nontariff barriers, and by encouraging reciprocal reductions in tariffs among members;

(2) The GATT/WTO is based on the assumption that the import and export of goods are conducted by independent enterprises responding to profit incentives and market forces;

(3) The GATT/WTO requires that nonmarket economies implement significant reforms to change centralized and planned economic systems before becoming a full GATT/WTO member and the existence of a decentralized and a free market economy is considered a precondition to fair trade among GATT/WTO members;

(4) The People's Republic of China (hereinafter referred to as "China") and the Republic of China on Taiwan (hereinafter referred to as "Taiwan") applied for membership in the GATT in 1986 and 1991, respectively, and Working Parties have been established by the GATT to review their applications;

(5) China insists that Taiwan's membership in the GATT/WTO be granted only after China becomes a full member of the GATT/WTO.

(6) Taiwan has a free market economy that has existed for over three decades, and is currently the fourteenth largest trading nation in the world;

(7) Taiwan has a gross national product that is the world's twentieth largest, its foreign exchange reserves are among the largest in the world and it has become that world's seventh largest outbound investor;

(8) Taiwan has made substantive progress in agreeing to reduce upon GATT/WTO accession the tariff level of many products, and non-tariff barriers;

(9) Taiwan has also made significant progress in other aspects of international trade, such as in intellectual property protection and opening its financial services market;

(10) Despite some progress in reforming its economic system, China still retains legal and institutional practices that restrict free market competition and are incompatible with GATT/WTO principles;

(11) China still uses an intricate system of tariff and non-tariff administrative controls to implement its industrial and trade policies, and China's tariffs on foreign goods, such as automobiles, can be as high as 150 percent, even though China has made commitments in the market access Memorandum of Understanding to reform significant parts of its import regime;

(12) China continues to use direct and indirect subsidies to promote exports;

(13) China often manipulates its exchange rate to impede balance of payments adjustments and gain unfair competitive advantages in trade;

(14) Taiwan's and China's accession to the GATT/WTO have important implications for the United States and the world trading system.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) the United States should separate Taiwan's application for membership in the GATT/WTO from China's application for membership in those organizations;

(2) the United States should support Taiwan's earliest membership in the GATT/WTO;

(3) the United States should support the membership of the China in the GATT/WTO only if a sound bilateral commercial agreement is reached between the United States and China, and that China makes significant progress in making its economic system compatible with GATT/WTO principles;

(4) China's application for membership in the GATT/WTO should be reviewed strictly in accordance with the rules, guidelines, principles, precedents, and practices of the GATT.

AMENDMENT NO. 2161

At the appropriate place in the bill, add the following new section—

SEC. . CLARIFICATION OF RESTRICTIONS.

Subsection (e) of section 620E of the Foreign Assistance Act of 1961 (P.L. 87–195) is amended:

(1) by striking the words "No assistance" and inserting the words "No military assistance";

(2) by striking the words "in which assistance is to be furnished or military equipment or technology" and inserting the words "in which military assistance is to be furnished or military equipment or technology"; and

(3) by striking the words "the proposed United States assistance" and inserting the words "the proposed United States military assistance".

(4) by adding the following new paragraph:

"(2) The prohibitions in this section do not apply to any assistance or transfer provided for the purposes of:

"(A) International narcotics control (including Chapter 8 of Part I of this Act) or any provision of law available for providing assistance for counternarcotics purposes;

"(B) Facilitating military-to-military contact, training (including Chapter 5 of Part II of this Act) and humanitarian and civic assistance projects;

"(C) Peacekeeping and other multilateral operations (including Chapter 6 of Part II of this Act relating to peacekeeping) or any provision of law available for providing assistance for peacekeeping purposes, except that lethal military equipment shall be provided on a lease or loan basis only and shall be returned upon completion of the operation for which it was provided;

"(D) Antiterrorism assistance (including Chapter 8 of Part II of this Act relating to antiterrorism assistance) or any provision of law available for antiterrorism assistance purposes;".

(5) by adding the following new subsections at the end—

"(f) STORAGE COSTS.—The President may release the Government of Pakistan of its contractual obligation to pay the United States Government for the storage costs of items purchased prior to October 1, 1990, but not delivered by the United States Government pursuant to subsection (e) and may reimburse the Government of Pakistan for any such amounts paid, on such terms and conditions as the President may prescribe, provided that such payments have no budgetary impact.

"(g) INAPPLICABILITY OF RESTRICTIONS TO PREVIOUSLY OWNED ITEMS.—Section 620E(e) does not apply to broken, worn or unupgraded items or their equivalent which Pakistan paid for and took possession of prior to October 1, 1990 and which the Government of Pakistan sent to the United States for repair or upgrade. Such equipment or its equivalent may be returned to the Government of Pakistan provided that the President determines and so certifies to the appropriate congressional committees that such equipment or equivalent neither constitutes nor has received any significant qualitative upgrade since being transferred to the United States and that its total value does not exceed $25 million.

"(h) BALLISTIC MISSILE SANCTIONS NOT AFFECTED.—Nothing contained herein shall affect sanctions required under any legislation concerning the transfer of ballistic missiles or ballistic missile technology."

AMENDMENT NO. 2162

On page 487, after line 24, add the following:

SEC. 2838. LEASE OF PROPERTY, FITZSIMONS ARMY MEDICAL CENTER, COLORADO.

(a) REQUIREMENT TO LEASE.—(1)(A) Notwithstanding any other provision of law and subject to paragraph (2), the Secretary of the Army shall lease to the City of Aurora, Colorado (in this section referred to as the "City"), the real property referred to in subparagraph (B). As part of the lease, the Secretary shall also lease to the City such facilities, equipment, and fixtures (including specialized equipment) as are associated with the property.

(B) The real property referred to in subparagraph (A) is a parcel of real property consisting of approximately acres located in Aurora, Colorado, which is known as the Fitzsimons Army Medical Center. The real property does not include that portion of the Fitzsimons Army Medical Center known as the Edgar J. McWhethy Army Reserve Center.

(2) The Secretary may make the lease otherwise required under paragraph (1) unless the real property referred to in that paragraph is approved for closure in 1995 under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note).

(b) CONDITION OF LEASE.—The lease under subsection (a) shall be subject to the condition that the City sublease the property in accordance with subsection (f).

(c) TERM OF LEASE.—The term of a lease under subsection (a) shall expire on the later of—

(1) the date of the conveyance or other disposal of the real property covered by the lease pursuant to the Defense Base Closure and Realignment Act of 1990; or

(2) the date that is 5 years after the commencement of the lease.

(d) CONSIDERATION.—As consideration for the lease under subsection (a), the City shall provide such police protection services, fire protection services, maintenance services, and other municipal services for the real property concerned as the Secretary and the City jointly consider appropriate.

(e) ALTERATION AND IMPROVEMENT OF PROPERTY.—The City may make such alterations or improvements to the real property leased under subsection (a) as are necessary for the use of the property by the City, including the use of the property by the sublessees of the property under subsection (f).

(f) SUBLEASE.—(1)(A) The City shall sublease the portion of the real property described in paragraph (2) to the Regents of the University of Colorado (in this section referred to as the "University") for the use and administration of such property by the University of Colorado Health Sciences Center (in this section referred to as the "Center") and the University of Colorado Hospital Authority (in this section referred to as the "Authority").

(B) The sublease under subparagraph (A) shall cover such portion of the real property leased to the City under subsection (a) as the City and the University jointly determine appropriate for the use and administration referred to in subparagraph (A).

(2) As consideration for the sublease under paragraph (1), the University may not accept consideration in excess of $1 per year.

(3) The sublease under paragraph (1) shall have the same term as the lease under subsection (a).

(g) SENSE OF SENATE ON CONVEYANCE OF PROPERTY.—It is the sense of the Senate that the conveyance pursuant to the Defense Base Closure and Realignment Act of 1990 of the property covered by the lease under subsection (a)—

(1) be to the City; and

(2) be subject to the following conditions:

(A) That the City convey, without consideration, such real property, facilities, equipment, and fixtures as the City and the University jointly determine appropriate for administration and use by the Center and the Authority for health care, biotechnology, and similar activities, for activities that promote and enhance educational opportunities, for the development of health care technology and the delivery of health care and related medical services, and for other economic development related to health sciences and biotechnology.

(B) That the City use the community and recreational facilities on the property for public purposes, including recreational purposes.

(C) That the City—

(i) convey steam-generating facilities on the real property to the University; or

(ii) provide steam from such facilities to the public users of the real property at rates that relate solely to the cost of generating the steam provided.

(h) ENVIRONMENTAL MATTERS.—(1) The Secretary may not enter into the lease authorized under subsection (a) until the Secretary issues a record of environmental consideration indicating that the lease falls within the categorical exclusions established by the Department of the Army pursuant to the National Environmental Policy Act (42 U.S.C. 4321 et seq.).

(2) As soon as practicable after the date of the enactment of this Act, the Secretary shall—

(A) prepare an environmental baseline survey for the purpose of issuing a finding of suitability to lease the property;

(B) issue a finding of suitability to lease with respect to the property; and

(C) after issuing the finding, enter into the lease.

(3)(A) The United States shall retain responsibility for the cost and any obligation of response for any release or threatened release of any hazardous substance (as defined in section 101(14) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(14))) in existence on the property to be leased under subsection (a) before the effective date of the lease.

(B) The United States shall indemnify, defend, and hold harmless the City, the University, and their respective departments, employees, officers, agents, successors and assigns, from and against any and all liabilities (including strict liabilities), claims, demands, remedies, and causes of action, whether administrative, legal or equitable, directly or indirectly arising in whole or in part under any Federal or State environmental statute or common law from the existence of any release or threatened release of any hazardous substance referred to in subparagraph (A).

(i) ELIGIBILITY FOR FEDERAL FINANCIAL ASSISTANCE.—Nothing in this section shall preclude an eligible applicant from receiving Federal grant funds for which it otherwise would be eligible pursuant to the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) or under any other Federal law.

(j) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be leased under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of such survey shall be borne by the City.

(k) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the lease under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

AMENDMENT NO. 2163

At the appropriate place in the bill add the following

SEC. . STUDY ON CHEMICAL WEAPONS STOCKPILE.

(a) STUDY.—(1) The Secretary of Defense shall conduct a study to asses the risk associated with transportation of the unitary stockpile, neutralized or uneutralized, from one location to another within the continental United States. Also, the Secretary shall include a study of the assistance available to communities in the vicinity if the Department of Defense facilities co-located with continuing chemical stockpile and chemical demilitarization operations which facilities are subject to closure, realignment, or reutilization.

(2) The review shall include an analysis of—

(A) the results of the physical and chemical integrity report conducted by the Army on existing stockpile;

(B) a determination of the viability of transportation of any portion of the stockpile, to include drained agent from munitions and the munitions;

(C) the safety, cost-effectiveness, and public acceptability of transporting the stockpile, in its current configuration, or in alternative configurations;

(D) the economic effects of closure, realignment, or reutilization of the facilities referred to in paragraph (1) on the communities referred to in that paragraph; and

(E) the unique problems that such communities face with respect to the reuse of such facilities as a result of the operations referred to in paragraph (1).

(b) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the study carried out under subsection (a). The report shall include recommendations of the Secretary on methods for ensuring the expeditious and cost-effective transfer or lease of facilities referred to in paragraph (1) of subsection (a) to communities referred to in paragraph (1) for reuse by such communities."

ROBB AMENDMENT NO. 2164

(Ordered to lie on the table.)

Mr. ROBB submitted an amendment intended to be proposed by him to the bill, S. 1026, supra; as follows:

On page 31, after line 22, insert the following:

SEC. 133. COMBAT SURVIVOR EVADER LOCATOR COMMUNICATION SYSTEM.

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

(1) The recent events involving the shooting down of an Air Force F-16 over Bosnia and the experience of its pilot in evading capture and escaping demonstrates a longstanding deficiency in United States combat rescue communications, namely, that the existing system lacks over-the-horizon, worldwide, two-way, secure, jam resistant, and low exploitation capabilities.

(2) The Joint Requirements Oversight Council of the Department of Defense approved the need for a communications system with such capabilities in JROCM-006-92

and validated the requirement for a new combat survivor evader locator (CSEL) system.

(3) After the Council's action, the requirements, costs, and operational effectiveness of candidate systems were sufficiently analyzed and refined across the Department of Defense.

(4) A program for a new combat survivor evader locator (CSEL) system has not been implemented, and no funding has been programmed for such a program.

(5) The longstanding deficiency referred to in paragraph (1) remains unresolved and, as a result, there remain risks to the lives of American pilots surviving the shooting down of their aircraft that would be avoidable with a combat survivor evader locator (CSEL) system having the capabilities described in paragraph (1).

(b) PROGRAM REQUIRED.—The Secretary of Defense shall carry out a program to acquire a satellite-based rescue communications system that—

(1) has the capabilities approved by the Joint Requirements Oversight Council as described in subsection (a)(2);

(2) achieves initial operational capability within approximately two years after the program commences;

(3) uses demonstrated commercial technologies;

(4) maximizes the return on the investment by supporting other Department of Defense requirements and other Federal Government requirements to the maximum extent practicable; and

(5) is directed and controlled by a joint agency of the Department of Defense.

(c) REPORT.—Not later than September 30, 1992, the Secretary of Defense shall submit to Congress a report on the actions taken to carry out subsection (b).

(d) FUNDING.—(1) Of the amount authorized to be appropriated under section 103(3), up to $20,000,000 shall be available for carrying out subsection (b).

HARKIN (AND BOXER) AMENDMENT NO. 2165

Mr. HARKIN (for himself and Mrs. BOXER) submitted an amendment intended to be proposed by them to the bill S. 1026, supra; as follows:

SEC. . RESTRICTION ON REIMBURSEMENT OF COSTS.

(a) None of the funds authorized to be appropriated in this Act for fiscal year 1996 may be obligated for payment on new contracts on which allowable costs charged to the government include payments for individual compensation (including bonuses and other incentives) at a rate in excess of $250,000 per year.

HARKIN AMENDMENTS NOS. 2166–2168

(Ordered to lie on the table.)

Mr. HARKIN submitted three amendments intended to be proposed by him to the bill, S. 1026, supra; as follows:

AMENDMENT NO. 2166

On page 32, line 14, strike out "$9,533,148,000" and insert in lieu thereof "$9,503,148,000".

AMENDMENT NO. 2167

On page 16, line 17, strike out "$1,396,451,000" and insert in lieu thereof "$1,271,451,000".

AMENDMENT NO. 2168

On page 32, line 14, strike out "$9,533,148,000" and insert in lieu thereof "$9,463,148,000".

KYL AMENDMENTS NOS. 2169–2170

(Ordered to lie on the table.)

Mr. KYL submitted two amendments intended to be proposed by him to the bill, S. 1026, supra; as follows:

AMENDMENT NO. 2169

On page 137, after line 24, add the following:

SEC. 389. LIMITATION ON USE OF FUNDS FOR COOPERATIVE THREAT REDUCTION FOR RUSSIA.

The funds available under section 301(18) for Cooperative Threat Reduction for Russia may not be obligated or expended for that purpose until 90 days after the date on which the President certifies to Congress the following:

(1) That Russia is in full compliance with the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on their Destruction, done at Washington, London, and Moscow on April 10, 1972.

(2) That the United States and Russia have completed a joint study evaluating the feasibility of the proposal of Russia to neutralize its chemical weapons.

(3) That none of the funds will be used for the purpose of supporting the development of offensive weapons.

AMENDMENT NO. 2170

On page 346, between lines 7 and 8, insert the following:

(c) ADDITIONAL LIMITATION ON USE OF FUNDS FOR COOPERATIVE THREAT REDUCTION.—(1) Of the amount available under section 301(18) for Cooperative Threat Reduction for dismantlement and destruction of chemical weapons, $104,000,000 may not be obligated or expended for that purpose until the President certifies to Congress the following:

(A) That the United States and Russia have completed a joint study evaluating the feasibility of the proposal of Russia to neutralize its chemical weapons.

(B) That Russia agrees to prepare a comprehensive plan to manage the dismantlement and destruction of the Russia chemical weapons stockpile.

(C) That Russia has resolved outstanding issues under the 1989 Wyoming Memorandum of Understanding and the 1990 Bilateral Destruction Agreement.

(3) In this section:

(A) The term "1989 Wyoming Memorandum of Understanding" means the Memorandum of Understanding between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics Regarding a Bilateral Verification Experiment and Data Exchange Related to Prohibition on Chemical Weapons, signed at Jackson Hole, Wyoming, on _____, 1989.

(B) The term "1990 Bilateral Destruction Agreement" means the Agreement between the United States of America and the Union of Soviet Socialist Republics on destruction and nonproduction of chemical weapons and on measures to facilitate the mulitlateral convention on banning chemical weapons signed at _____ on ___, 1990.

FEINSTEIN AMENDMENTS NOS. 2171–2172

(Ordered to lie on the table.)

Mrs. FEINSTEIN submitted two amendments intended to be proposed by her to the bill, S. 1026, supra; as follows:

AMENDMENT NO. 2171

On page 486, below line 24, add the following:

SEC. 2825. LOAN GUARANTEE PROGRAM FOR REDEVELOPMENT OF INSTALLATIONS APPROVED FOR CLOSURE OR REALIGNMENT.

(a) PROGRAM.—Title II of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3141 et seq.) is amended by adding at the end the following:

"LOAN GUARANTEE PROGRAM FOR REDEVELOPMENT OF CLOSED OR REALIGNED MILITARY INSTALLATIONS

"SEC. 205. (a)(1) Subject to the provisions of this section, the Secretary may guarantee a loan made to any private borrower or to a redevelopment authority if the proceeds of the loan are to be used by the borrower or redevelopment authority to demolish or remove existing facilities or to construct or improve facilities on real property located at a military installation approved for closure or realignment under a base closure law which real property is sold, leased, or otherwise transferred by the Secretary of Defense pursuant to such a law.

"(2) For purposes of paragraph (1), facilities at an installation include utilities and other infrastructure at the installation.

"(b)(1) The term of a loan guaranteed under this section may not exceed 20 years, except that the Secretary may provide for the guarantee of a loan the term of which is renewed or otherwise extended beyond 20 years if the Secretary considers the extension appropriate in order to facilitate the liquidation of the loan.

"(2) The Secretary may not guarantee a loan under this section if the Secretary determines that the rate of interest on the loan is excessive. In determining if the rate on a loan is excessive, the Secretary shall take into account the rates of interest charged on other loans guaranteed by the Federal Government that have similar terms and conditions.

"(3) The Secretary may not guarantee a loan under this section unless the Secretary determines that there is reasonable assurance of the repayment of the loan according to its terms.

"(4) The Secretary may not guarantee a loan under this section if the Secretary determines that the borrower or redevelopment authority seeking the guarantee has reasonable access to funds in the amount of the loan from alternative sources (including other funds of the borrower or redevelopment authority).

"(c)(1) The proceeds of a loan guaranteed under this section may not be used to purchase real property.

"(2) The proceeds of a loan guaranteed under this section may not be used for activities relating to the compliance of the real property or facilities concerned with Federal, State, or local requirements for the restoration or remediation of any environmental contamination on the real property or facilities concerned.

"(d)(1) Subject to paragraph (2), the amount of a guarantee on a loan that may be provided under this section may not exceed the amount equal to 90 percent of the outstanding principal and interest of the loan.

"(2) The total value of any loan guaranteed under this section may not exceed $25,000,000.

"(e) The Secretary may charge and collect from a lender issuing a loan guaranteed

under this section a fee in such amount as the Secretary considers sufficient to cover the costs to the Secretary of the administration of the loan.

"(f) Loan guarantees may be made under this section only to the extent that appropriations of budget authority to cover their cost (as defined in section 502(5) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(5)) are made in advance, or authority is otherwise provided in appropriations Acts. If such appropriation or other authority is provided, there may be established a financing account (as defined in section 502(7) of such Act (2 U.S.C. 661a(7)) which shall be available for payment of claims for payment on loan guarantees under this section and for all other cash flows to and from the Government as a result of guarantees made under this section.

"(g) In this section:

"(1) The term 'base closure law' means the following:

"(A) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note).

"(B) The Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note).

"(2) The term 'redevelopment authority' means the following:

"(A) In the case of military installations approved for closure or realignment under the Defense Authorization Amendments and Base Closure and Realignment Act, a redevelopment authority as such term is defined in section 209(10) of that Act.

"(B) In the case of military installations approved for closure or realignment under the Defense Base Closure and Realignment Act of 1990, a redevelopment authority as such term in defined in section 2910(9) of that Act.".

(b) USE OF EXISTING APPROPRIATIONS.—Notwithstanding any other provision of law, funds appropriated before the date of the enactment of this Act pursuant to the Public Works and Economic Development Act of 1965 for economic development assistance programs of the Economic Development Administration of the Department of Commerce may be used for providing loan guarantees under the loan guarantee program for redevelopment of closed or realigned military installations established under section 205 of that Act, as added by subsection (a).

AMENDMENT NO. 2172

On page 487, below line 24, add the following:

SEC. 2838 LAND CONVEYANCE, NAVAL COMMUNICATIONS STATION, STOCKTON, CALIFORNIA.

(a) AUTHORITY TO CONVEY.—The Secretary of the Navy may, upon the concurrence of the Administrator of General Services, conv to the Port of Stockton (In this section r red to as the "Port"), all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, consisting of approximately 1,450 acres at the Naval Communication Station, Stockton, California.

(b) INTERIM LEASE.—Until such time as the real property described in subsection (a) is conveyed by deed, the Secretary may lease the property, along with improvements thereon, to the Port under terms and conditions satisfactory to the Secretary.

(c) CONSIDERATION.—If the Secretary determines that the property can be utilized for port development and is located in an area with high unemployment or in need of economic redevelopment, the Secretary may convey the property for no consideration. If the Secretary determines that it would not be in the public interest to convey the property for no consideration, then the Port, if the Port still desires to acquire the property, shall, as consideration for the conveyance, pay to the United States an amount equal to fair market value of the property to be conveyed, as determined by the Secretary.

(d) FEDERAL LEASE OF CONVEYED PROPERTY.—Notwithstanding any other provision of law, as a condition for transfer of this property under subparagraph (a), the Secretary may require that the Port agree to lease all or a part of the property currently under federal use at the time of conveyance to the United States for use by the Department of Defense or any other federal agency under the same terms and conditions now presently in force. Such terms and conditions will continue to include payment (to the Port) for maintenance of facilities leased to the Federal Government. Such maintenance of the Federal premises shall be to the reasonable satisfaction of the United States, or as required by all applicable Federal, State and local laws and ordinances.

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of such survey shall be borne by Port.

(f) ADDITIONAL TERMS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) or the lease under subsection (b) as the Secretary considers appropriate to protect the interests of the United States.

FEINSTEIN (AND JOHNSTON) AMENDMENT NO. 2173

(Ordered to lie on the table.)

Mrs. FEINSTEIN (for herself and Mr. JOHNSTON) submitted an amendment intended to be proposed by them to the bill, S. 1026, supra; as follows:

On page 115, strike out line 4 and all that follows through page 116, line 13.

FEINSTEIN AMENDMENT NO. 2174

(Ordered to lie on the table.)

Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill, S. 1026, supra; as follows:

Beginning on page 115, strike out line 4 and all that follows through page 116, line 13, and insert in lieu thereof the following:

SEC. 382. LIMITATION ON CONTRACTING WITH SAME CONTRACTOR FOR CONSTRUCTION OF ADDITIONAL NEW SHIPS.

The Secretary of the Navy may not enter into a contract, or exercise a contract option, for the construction of any additional ship by a contractor unless the Secretary has submitted to Congress, at least 60 days before entering into the contract or exercising the option, one of the following certifications:

(1) A certification—

(A) that—

(i) no ship being procured from that contractor under an existing contract is estimated by the Secretary (as of the date of the certification) to cost more than the maximum price originally established for the ship under the existing contract; or

(ii) if the estimated cost does exceed that maximum price, the contractor is able to complete construction of all ships being procured under all existing contracts between the contractor and the Government without any financial assistance from the Government; and

(B) that the contractor does not have any claim pending against the Government for any ship contracted for under the existing contract referred to in subparagraph (A)(i) that, if approved by the Government, would increase the maximum price established for such ship under the existing contract.

(2) A certification that the contractor is financially capable of constructing the additional ship involved without direct or indirect financial assistance from the Government.

SIMON AMENDMENT NO. 2175

(Ordered to lie on the table.)

Mr. SIMON submitted an amendment intended to be proposed by him to the bill, S. 1026, supra; as follows:

On page 487, below line 24, add the following new sections:

SEC. 2838. LAND CONVEYANCE, NAVY PROPERTY, FORT SHERIDAN, ILLINOIS.

(a) AUTHORITY TO CONVEY.—Subject to subsection (b), the Secretary of the Navy may convey to any transferee selected under subsection (i) all right, title, and interest of the United States in and to a parcel of real property (including any improvements thereon) at Fort Sheridan, Illinois, consisting of approximately 182 acres and comprising the Navy housing areas at Fort Sheridan.

(b) REQUIREMENT FOR FEDERAL SCREENING OF PROPERTY.—The Secretary may not carry out the conveyance of property authorized by subsection (a) unless the Secretary determines that no department or agency of the Federal Government will accept the transfer of the property.

(c) CONSIDERATION.—(1) As consideration for the conveyance under subsection (a), the transferee selected under subsection (i) shall—

(A) convey to the United States a parcel of real property that meets the requirements of subsection (d);

(B) design for and construct on the property conveyed under subparagraph (A) such housing facilities (including support facilities and infrastructure) to replace the housing facilities conveyed pursuant to the authority in subsection (a) as the Secretary considers appropriate;

(C) pay the cost of relocating Navy personnel residing in the housing facilities located on the real property conveyed pursuant to the authority in subsection (a) to the housing facilities constructed under subparagraph (B);

(D) provide for the education of dependents of such personnel under subsection (e); and

(E) carry out such activities for the maintenance and improvement of the facilities constructed under subparagraph (B) as the Secretary and the transferee jointly determine appropriate.

(2) The Secretary shall ensure that the fair market value of the consideration provided by the transferee under paragraph (1) is not less than the fair market value of the property interest conveyed by the Secretary under subsection (a).

(d) REQUIREMENTS RELATING TO PROPERTY TO BE CONVEYED TO UNITED STATES.—The real property interest conveyed to the United States under subsection (c)(1)(A) by the transferee selected under subsection (i) shall—

(1) be located not more than 25 miles from Great Lakes Naval Training Center;

(2) be located in a neighborhood or area having social and economic conditions similar to the social and economic conditions of the area in which Fort Sheridan is located; and

(3) be acceptable to the Secretary.

(e) EDUCATION OF DEPENDENTS OF NAVY PERSONNEL.—In providing for the education of dependents of Navy personnel under subsection (c)(1)(D), the transferee selected under subsection (i) shall ensure that such dependents may enroll at the schools of one or more school districts in the vicinity of the real property conveyed to the United States under subsection (c)(1)(A) which schools and districts—

(1) meet such standards for schools and schools districts as the Secretary shall establish; and

(2) will continue to meet such standards after the enrollment of such dependents regardless of the receipt by such school districts of Federal impact aid.

(f) INTERIM RELOCATION OF NAVY PERSONNEL.—Pending completion of the construction of all the housing facilities proposed to be constructed under subsection (c)(1)(B) by the transferee selected under subsection (i), the Secretary may relocate Navy personnel residing in housing facilities located on the property to be conveyed pursuant to the authority in subsection (a) to the housing facilities that have been constructed by the transferee under such subsection (c)(1)(B).

(g) APPLICABILITY OF CERTAIN AGREEMENTS.—The property conveyed by the Secretary pursuant to the authority in subsection (a) shall be subject to the Memorandum of Understanding concerning the Transfer of Certain Properties at Fort Sheridan, Illinois, dated August 8, 1991, between the Department of the Army and the Department of the Navy.

(h) DETERMINATION OF FAIR MARKET VALUE.—The Secretary shall determine the fair market value of the real property to be conveyed under subsection (a) and of the consideration to be provided under subsection (c)(1). Such determination shall be final.

(i) SELECTION OF TRANSFEREE.—(1) The Secretary shall use competitive procedures for the selection of a transferee under subsection (a).

(2) In evaluating the offers of prospective transferees, the Secretary shall—

(A) consider the technical sufficiency of the offers and the adequacy of the offers in meeting the requirements for consideration set forth in subsection (c)(1); and

(B) consult with the communities and jurisdictions in the vicinity of Fort Sheridan (including the City of Lake Forest, the City of Highwood, and the City of Highland Park and the County of Lake) in order to determine the most appropriate use of the property to be conveyed.

(j) DESCRIPTIONS OF PROPERTY.—The exact acreage and legal descriptions of the real property to be conveyed by the Secretary under subsection (a) and the real property to be conveyed under subsection (c)(1)(A) shall be determined by surveys satisfactory to the Secretary. The cost of such surveys shall be borne by the transferee selected under subsection (i).

(k) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyances under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2839. LAND CONVEYANCE, ARMY RESERVE PROPERTY, FORT SHERIDAN, ILLINOIS.

(a) AUTHORITY TO CONVEY.—(1) Subject to subsection (b), the Secretary of the Army may convey to any transferee selected under subsection (h) all right, title, and interest of the United States in and to the real property described in paragraph (2).

(2) The authority in paragraph (1) applies to the following parcels of real property at Fort Sheridan, Illinois: A parcel of real property (including improvements thereon) consisting of approximately 114 acres and comprising an Army Reserve area.

(b) REQUIREMENT FOR FEDERAL SCREENING OF PROPERTY.—The Secretary may not carry out the conveyance of property authorized by subsection (a) unless the Secretary determines that no department or agency of the Federal Government will accept the transfer of the property.

(c) CONSIDERATION.—(1) As consideration for the conveyance under subsection (a), the transferee selected under subsection (h) shall—

(A) convey to the United States a parcel of real property that meets the requirements of subsection (d);

(B) design for and construct on the property conveyed under subparagraph (A) such facilities (including support facilities and infrastructure) to replace the facilities conveyed pursuant to the authority in subsection (a) as the Secretary considers appropriate; and

(C) pay the cost of relocating Army personnel in the facilities located on the real property conveyed pursuant to the authority in subsection (a) to the facilities constructed under subparagraph (B).

(2) The Secretary shall ensure that the fair market value of the consideration provided by the transferee under paragraph (1) is not less than the fair market value of the real property conveyed by the Secretary under subsection (a).

(d) REQUIREMENTS RELATING TO PROPERTY TO BE CONVEYED TO UNITED STATES.—The real property conveyed to the United States under subsection (c)(1)(A) by the transferee selected under subsection (h) shall—

(1) be located not more than 25 miles from Fort Sheridan;

(2) be located in a neighborhood or area having social and economic conditions similar to the social and economic conditions of the area in which Fort Sheridan is located; and

(3) be acceptable to the Secretary.

(e) INTERIM RELOCATION OF ARMY PERSONNEL.—Pending completion of the construction of all the facilities proposed to be constructed under subsection (c)(1)(B) by the transferee selected under subsection (h), the Secretary may relocate Army personnel in the facilities located on the property to be conveyed pursuant to the authority in subsection (a) to the facilities that have been constructed by the transferee under such subsection (c)(1)(B).

(f) DETERMINATION OF FAIR MARKET VALUE.—The Secretary shall determine the fair market value of the real property to be conveyed under subsection (a) and of the consideration to be provided under subsection (c)(1). Such determination shall be final.

(g) SELECTION OF TRANSFEREE.—(1) The Secretary shall use competitive procedures for the selection of a transferee under subsection (a).

(2) In evaluating the offers of prospective transferees, the Secretary shall—

(A) consider the technical sufficiency of the offers and the adequacy of the offers in meeting the requirements for consideration set forth in subsection (c)(1); and

(B) consult with the communities and jurisdictions in the vicinity of Fort Sheridan (including the City of Lake Forest, the City of Highwood, and the City of Highland Park and the County of Lake) in order to determine the most appropriate use of the property to be conveyed.

(h) DESCRIPTIONS OF PROPERTY.—The exact acreage and legal descriptions of the real property to be conveyed by the Secretary under subsection (a) and the real property to be conveyed under subsection (c)(1)(A) shall be determined by surveys satisfactory to the Secretary. The cost of such surveys shall be borne by the transferee selected under subsection (h).

(i) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyances under this section as the Secretary considers appropriate to protect the interests of the United States.

DASCHLE (AND DORGAN) AMENDMENT NO. 2176

(Ordered to lie on the table.)

Mr. DASCHLE (for himself and Mr. DORGAN) submitted an amendment intended to be proposed by them to the bill S. 1026, supra; as follows:

On page 32, strike out line 14 and insert in lieu thereof the following: "$9,473,148,000, of which—

"(A) not more than $85,000,000 is authorized to be appropriated for the cruise missile defense policy established in Section 236;".

SIMON AMENDMENT NO. 2177

(Ordered to lie on the table.)

Mr. SIMON submitted an amendment intended to be proposed by him to the bill S. 1026, supra; as follows:

On page 371, after line 21, insert the following:

SEC. 1062. SUPPORT FOR INTERNATIONAL PEACEKEEPING AND PEACE ENFORCEMENT.

(b) SUPPORT AUTHORIZED.—(1) Section 403 of title 10, United States Code, is amended to read as follows:

"§ 403. International peacekeeping and international peace enforcement: support involving United States combat forces

"(a) AUTHORITY.—Notwithstanding any other provision of law, the Secretary of Defense may—

"(1) pay, out of funds in the Contributions for International Peacekeeping and Peace Enforcement Activities Fund established by subsection (g), the United States fair share (as determined by the Secretary) of assessments for international peacekeeping or international peace enforcement activities of the United Nations in which United States combat forces participate; and

"(2) furnish assistance, on a reimbursable basis, in support of such activities.

"(b) FORMS OF ASSISTANCE.—Assistance provided under this section may include supplies, services, and equipment.

"(c) DETERMINATION REQUIRED.—No assessment may be paid and no assistance may be furnished pursuant to this section unless the President determines that the provision of assistance is in the national interest of the United States.

"(d) ADVANCE NOTICE.—(1) In the case of any international peacekeeping or international peace enforcement operation of the

United Nations in which the United States combat forces are to participate, not less than 15 days before an initial deployment of United States combat forces, payment of a United Nations assessment, furnishing of assistance of a value in excess of $14,000,000, or waiver of reimbursement to the United States under subsection (f), the President shall transmit to the designated congressional committee a report, which may be classified in whole or in part, that contains the determination required by subsection (c) and the following matters:

"(A) A description of the threat to international peace and security presented by the conflict involved.

"(B) The United States interests that will be advanced by the operation and by the United States action.

"(C) The political and military objectives of the operation.

"(D) The exit criteria and likely duration of the operation.

"(E) The personnel and material resources that have been pledged, or are otherwise expected to be made available, by other nations to the United Nations for the operation.

"(F) The units of the armed forces that will participate.

"(G) The necessity for involvement of United States forces.

"(H) The command arrangements for those forces and, if any of the United States forces are to be placed under the operational control of a foreign commander, the justification for doing so.

"(I) The rules of engagement for the operation.

"(J) An assessment of the risks involved in the operation.

"(K) In the case of payment of an assessment the amount to be paid and the terms under which the payment is to be made.

"(L) In the case of assistance, the supplies, services, or equipment to be provided by the United States and the terms under which such supplies, services, or equipment are to be provided.

"(M) In the case of a waiver of reimbursement, the justification for the waiver.

"(2) If the President determines that an unforseen emergency requires the immediate deployment of United States combat troops or the immediate furnishing of assistance of a value in excess of $14,000,000 under this section, the President—

"(A) may waive the requirement of paragraph (1) that a report be transmitted at least 15 days in advance of the action; and

"(B) shall promptly notify the designated committees of such waiver and such deployment or transfer.

"(e) REIMBURSEMENT.—(1) The President shall require reimbursement from the United Nations or from any other source for the participation of any force of the armed forces in support of international peacekeeping or international peace enforcement activities of the United Nations or for the provision of assistance by the Secretary of Defense in support of such activities.

"(2) Any funds received as reimbursements shall be used as follows:

"(A) As a first priority, for the payment of the incremental costs of the military departments and Defense Agencies providing the participating United States forces or the supplies, services, or equipment involved.

"(B) As a second priority, for the payment of the incremental costs of any other United States forces that are operating in support of international peacekeeping or international peace enforcement activities but for which reimbursement is not possible.

"(3) After use of reimbursement funds for the purposes specified in paragraph (2), any remainder of such funds shall be credited to the Contributions for International Peacekeeping and Peace Enforcement Activities Fund established by subsection (g).

"(4) Reimbursements utilized for the payment of incremental costs shall be credited, at the option of the Secretary of the military department concerned or the head of the Defense Agency concerned, either to an appropriation, fund, or other account obligated to pay such costs or to an appropriate appropriation, fund, or other account available for paying such costs.

"(f) WAIVER OF REIMBURSEMENT.—The President may waive, in whole or in part, any reimbursement required under subsection (a)(2) or (e) in exceptional circumstances upon determining that such waiver is in the national interest of the United States.

"(g) ESTABLISHMENT OF ACCOUNT.—There is hereby established in the Treasury of the United States a fund to be known as the 'Contributions for International Peacekeeping and Peace Enforcement Activities Fund'. Amounts appropriated or other credited to the Fund shall be available until expended for, and shall be used for, paying assessments for United Nations operations under this section.

"(h) AUTHORITY INAPPLICABLE WHEN UNITED STATES COMBAT FORCES NOT INVOLVED.—The authority in subsection (a) to pay United Nations assessments for international peacekeeping and international peace enforcement activities of the United Nations may not be construed as authorizing payment of United Nations assessments for any such activity in which United States combat forces do not participate.

"(i) COORDINATION WITH OTHER LAWS.—This section may not be construed as superseding any provision of the War Powers Resolution. This section does not provide authority for the participation of United States combat forces in any international peacekeeping or international peace enforcement operation.

"(j) DEFINITIONS.—In this section:

"(1) The term 'designated congressional committees' means the Committees on Armed Services, Appropriations, and Foreign Relations of the Senate and the Committees on National Security, Appropriations, and International Relations of the House of Representatives.

"(2) The term 'combat forces' means forces of the armed forces that have combat missions as primary missions.

"(3) The term 'international peacekeeping' means those activities performed pursuant to Chapter VI of the United Nations Charter.

"(4) The term 'international peace enforcement' means those activities performed pursuant to Chapter VII of the United Nations Charter.".

(2) The item relating to section 403 in the table of sections at the beginning of subchapter I of chapter 20 of such title is amended to read as follows:

"403. International peacekeeping and international peace enforcement: support involving United States combat forces."

(c) AUTHORIZED SUPPORT FOR FISCAL YEAR 1996.—Funds are authorized to be appropriated to the Contributions for International Peacekeeping and Peace Enforcement Activities Fund in the total amount of $65,000,000.

(d) Funds authorized under Division A, Title I, Subtitle A of this Act are hereby reduced by $65,000,000.

SIMON (AND JEFFORDS) AMENDMENT NO. 2178

(Ordered to lie on the table.)

Mr. SIMON (for himself and Mr. JEFFORDS) submitted an amendment intended to be proposed by them to the bill, S. 1026, supra; as follows:

On page 371, after line 21, insert the following:

SEC. 1062. VOLUNTEER FORCE FOR PEACE OPERATIONS.

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

(1) With the end of the Cold War, the United States is clearly the undisputed world economic and military leader and as such bears major international responsibilities.

(2) Threats to the long-term security and well-being of the United States no longer derive primarily from the risk of external military aggression against the United States or its closest treaty allies but in large measure derive from instability from a variety of causes: population movements, ethnic and regional conflicts including genocide against ethnic and religious groups, famine, terrorism, narcotics trafficking, and proliferation of weapons of mass destruction.

(3) To address such threats, the United States has increasingly turned to the United Nations and other international peace operations, which at times offer the best and most cost-effective way to prevent, contain, and resolve such problems.

(4) In numerous crisis situations, such as the massacres in Rwanda, the United Nations has been unable to respond with peace operations in a swift manner.

(5) The Secreatry-General of the United Nations has asked member states to identify in advance units which are available for contribution to international peace operations under the auspices of the United Nations in order to create a rapid response capability.

(6) United States participation and leadership in the initiative of the Secretary-General is critical to leveraging contributions from other nations and, in that way, limiting the United States share of the burden and helping the United Nations to achieve success.

(b) REPORT ON PLAN TO ORGANIZE VOLUNTEER UNITS.—Not later than 180 days after the date of the enactment of this Act, the President shall submit a report to Congress setting forth—

(1) a plan for—

(A) organizing into units of the Armed Forces a contingency force of up to 3,000 personnel, comprised of active-duty military personnel, who volunteer additionally and specifically to serve in international peace operations and who receive added compensation for such service;

(B) recruiting personnel to serve in such units; and

(C) providing training to such personnel which is appropriate to such operations; and

(2) proposed procedures to implement such plan.

(c) AUTHORIZATION.—(1) Upon approval by the United Nations Security Council of an international peace operation, the President, after appropriate congressional consultation, is authorized to make immediately available for such operations those units of the Armed Forces of the United States which are organized under subsection (b)(1)(A).

(2)(A) Subject to subparagraph (B), the President may terminate United States participation in international peace operations at any time and take whatever actions he deems necessary to protect United States forces.

(B) Notwithstanding section 5(b) of the War Powers Resolution, not later than 180 days after a Presidential report is submitted or required to be submitted under section 4(a) of the War Powers Resolution in connection with the participation of the Armed Forces of the United States in an international peace operation, the President shall terminate any use of the Armed Forces with respect to which such report was submitted or required to be submitted, unless the Congress has extended by law such 180-day period.

(d) AVAILABILITY OF FUNDS.—Funds available to the Department of Defense are authorized to be available to carry out subsection (c)(1).

(e) WAR POWERS RESOLUTION REQUIREMENTS.—Except as otherwise provided, this section does not supersede the requirements of the War Powers Resolution.

(f) MISSION STATEMENTS FOR ARMED FORCES.—(1) Section 3062(a) of title 10, United States Code, is amended—

(A) by striking out "and" at the end of paragraph (3);

(B) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; and"; and

(C) by adding at the end the following:

"(5) participating in international peacekeeping activities, humanitarian activities, and refugee assistance activities when determined by the President to be in the national interests of the United States.".

(2) Section 5062(a) of such title is amended—

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

(B) by striking out the third sentence; and

(C) by adding at the end the following new paragraph:

"(2) The Navy is responsible for the preparation of naval forces necessary for the following activities:

"(A) Effective prosecution of war except as otherwise assigned and, in accordance with integrated joint mobilization plans, for the expansion of the peacetime components of the Navy to meet the needs of war.

"(B) Participation in international peacekeeping activities, humanitarian activities, and refugee assistance activities when determined by the President to be in the national interests of the United States.".

(3) Section 8062(a) of such title is amended—

(A) by striking out "and" at the end of paragraph (3);

(B) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; and"; and

(C) by adding at the end the following:

"(5) participating in international peacekeeping activities, humanitarian activities, and refugee assistance activities when determined by the President to be in the national interests of the United States.".

(g) DEFINITIONS.—In this section:

(1) The term "appropriate congressional consultation" means consultation as described in section 3 of the War Powers Resolution.

(2) The term "international peace operations" means any such operation carried out under chapter VI or chapter VII of the United Nations Charter or under the auspices of the Organization of American States.

DORGAN AMENDMENT NO. 2179

(Ordered to lie on the table.)

Mr. DORGAN submitted an amendment intended to be proposed by him to the bill, S. 1026, supra; as follows:

On page 32, strike out line 14 and insert in lieu thereof the following: "$9,283,148,000, of which—

"(a) not more than $407,900,000 is authorized to implement the national missile defense policy established in Section 233(2);".

DORGAN AMENDMENT NO. 2180

(Ordered to lie on the table.)

Mr. DORGAN submitted an amendment intended to be proposed by him to the bill, S. 1026, supra; as follows:

At the appropriate place, insert the following:

SEC. . LAND CONVEYANCE, WILLIAM LANGER JEWEL BEARING PLANT, ROLLA, NORTH DAKOTA

(a) CONVEYANCE.—The Administrator of the General Services Administration may convey, without consideration, to the Rolla Job Development Authority, an agency of the City of Rolla, North Dakota, authorized by the North Dakota Century Code (in this section referred to as the "Authority") all right, title, and interest of the United States in and to the parcel of real property consisting of approximately 9.77 acres, with improvements, comprising the William Langer Jewel Bearing Plant in Rolla, North Dakota, which has previously been owned by the Department of the Army as a contractor-operated facility manufacturing precision items used in avionics and inertial guidance systems.

(b) CONDITION OF CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the condition that the Authority—

(1) use the real property conveyed under that subsection for economic development purposes; or

(2) enter into an agreement with an appropriate public or private entity or person to lease such property and facility to that entity or person for such purposes, or

(3) enter into an agreement with an appropriate public or private entity or person to sell such property and facilities to that entity or person for such purposes.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property conveyed under this section shall be determined by a survey satisfactory to the Administrator. The cost of such survey shall be borne by the Administrator.

(d) ADDITIONAL TERMS AND CONDITIONS.—Administrator may require such additional terms and conditions in connection with the conveyance under this section as the Administrator determines appropriate to protect the interests of the United States.

(e) PREFERENCE FOR DOMESTIC DISPOSAL OF JEWEL BEARINGS—In offering to enter into agreements pursuant to any provision of law for the disposal from the National Defense Stockpile of jewel bearings, the President shall give a right of first refusal on all such offers to the Rolla Jobs Development Authority or the appropriate public or private entity or person referred to in subsection (b).

(f) NATIONAL DEFENSE STOCKPILE DEFINED.—For the purposes of this section, the term "National Defense Stockpile" means the stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98(c)).

(g) AUTHORIZATION FOR PRIOR-YEAR FUNDS.—The Department may use up to $1.5 million in prior-year funds to maintain the Plant as a going concern during the implementation of this section.

STEVENS AMENDMENTS NOS. 2181–2182

(Ordered to lie on the table.)

Mr. STEVENS submitted two amendments intended to be proposed by him to the bill, S. 1026, supra; as follows:

AMENDMENT NO. 2181

On page 306, beginning on line 22, strike all through line 11 on page 307 and insert in lieu thereof the following:

(1)(A) The Secretary of Defense shall establish a test program under which contracting activities in the military departments and the Defense Agencies are authorized to undertake one or more demonstration projects to determine whether the negotiation and administration of comprehensive subcontracting plans will reduce administrative burdens on contractors while enhancing opportunities provided under Department of Defense contracts for small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals. In selecting the contracting activities to undertake demonstration projects, the Secretary shall take such action as is necessary to ensure that a broad range of the supplies and services acquired by the Department of Defense are included in the test program.

(B) Notwithstanding section 34(b) of the Office of Federal Procurement Policy Act (41 U.S.C. 430(b)), the Secretary of Defense may not make inapplicable to subcontracts which include ocean transportation services the requirements of section 901(b) of the Merchant Marine Act, 1936 (46 U.S.C. 1241(b)), or section 2631 of title 10, United States Code, under either a contract for the procurement of commercial items or a subcontract for the procurement of commercial items.

AMENDMENT NO. 2182

On page 305, beginning on line 1, strike all through line 10 and insert in lieu thereof the following:

SEC. 802. PROCUREMENT NOTICE POSTING THRESHOLDS AND SUBCONTRACTS FOR OCEAN TRANSPORTATION SERVICES.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.) is amended—

(1) in section 18(a)(1)(B) by—

(A) striking out "subsection (f)—" and all that follows through the end of the subparagraph and inserting in lieu thereof "subsection (b); and"; and

(B) inserting after "property or services" the following: "for a price expected to exceed $10,000, but not to exceed $25,000,"; and

(2) in section 34(b) by adding at the end thereof the following new paragraph:

"(5) Nothing in this subsection shall be construed to make inapplicable to subcontracts which include ocean transportation services the requirements of section 901(b) of the Merchant Marine Act, 1936 (46 U.S.C. 1241(b)) or section 2631 of title 10, United States Code, under either a contract for the procurement of commercial items or a subcontract for the procurement of commercial items.".

THURMOND AMENDMENT NO. 2183

(Ordered to lie on the table.)

Mr. THURMOND submitted an amendment intended to be proposed by him to the bill, S. 1026, supra; as follows:

At the appropriate place, insert:

( ) DEFENSIVE USE OF LANDMINES.—Nothwithstanding any other provision of

law, United States military personnel may use antipersonnel landmines for defensive purposes, consistent with U.S. military interests and which reflect the practice adopted by western military forces.

SMITH AMENDMENT NO. 2184

(Ordered to lie on the table.)

Mr. SMITH submitted an amendment intended to be proposed by him to the bill, S. 1026, supra; as follows:

On page 468, strike lines 16 through 24 and insert the following: The requirements of subparagraph (B) shall not apply in any case in which the transfer of the property occurs or has occurred by means of a lease, without regard to whether the lessee has agreed to purchase the property or whether the duration of the lease is longer than 55 years. In the case of a lease entered into after September 30, 1995, with respect to real property located at an installation approved for closure or realignment under a base closure law, the agency leasing the property, in consultation with the Administrator, shall determine before leasing the property that the property is suitable for lease, that the uses contemplated for the lease are consistent with protection of human health and the environment, and that there are adequate assurances that the United States will take all remedial action referred to in subparagraph (B) that has not been taken on the date of the lease.".

CAMPBELL AMENDMENT NO. 2185

(Ordered to lie on the table.)

Mr. CAMPBELL submitted an amendment intended to be proposed by him to the bill, S. 1026, supra, as follows:

On page 304, between lines 8 and 9, insert the following:

SEC. 744. REPORT ON EFFECT OF CLOSURE OF FITZSIMONS ARMY MEDICAL CENTER, COLORADO, ON PROVISION OF CARE TO MILITARY PERSONNEL AND DEPENDENTS EXPERIENCING HEALTH DIFFICULTIES ASSOCIATED WITH PERSIAN GULF SYNDROME.

Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report that—

(1) assesses the effects of the closure of Fitzsimons Army Medical Center, Colorado, on the capability of the Department of Defense to provide appropriate and adequate health care to members and former members of the Armed Forces and their dependents who suffer from undiagnosed illnesses (or combination of illnesses) as a result of service in the Armed Forces in the Southwest Asia theater of operations during the Persian Gulf War; and

(2) describes the plans of the Secretary of Defense and the Secretary of the Army to ensure that adequate and appropriate health care is available to such members, former members, and their dependents, for such illnesses.

HELMS AMENDMENT NO. 2186.

(Ordered to lie on the table.)

Mr. HELMS submitted an amendment intended to be proposed by him to the bill, S. 1026, supra, as follows:

On page 403, after line 16, add the following:

SEC. 1095. SENSE OF SENATE ON MIDWAY ISLANDS.

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

(1) September 2, 1995, marks the 50th anniversary of the United States victory over Japan in World War II.

(2) The Battle of Midway proved to be the turning point in the war in the Pacific, as United States Navy forces inflicted such severe losses on the Imperial Japanese Navy during the battle that the Imperial Japanese Navy never again took the offensive against United States or allied forces.

(3) During the Battle of Midway, an outnumbered force of the United States Navy, consisting of 29 ships and other units of the Armed Forces under the command of Admiral Nimitz and Admiral Spruance, out-maneuvered and out-fought 350 ships of the Imperial Japanese Navy.

(4) It is in the public interest to erect a memorial to the Battle of Midway that is suitable to express the enduring gratitude of the American people for victory in the battle and to inspire future generations of Americans with the heroism and sacrifice of the members of the Armed Forces who achieved that victory.

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

(1) the Midway Islands and the surrounding seas deserve to be memorialized;

(2) the historical structures related to the Battle of Midway should be maintained, in accordance with the National Historic Preservation Act, and subject to the availability of appropriations for that purpose.

(3) appropriate access to the Midway Islands by survivors of the Battle of Midway, their families, and other visitors should be provided in a manner that ensures the public health and safety on the Midway Islands and the conservation and natural resources of those islands in accordance with existing Federal law.

LOTT AMENDMENT NO. 2187

(Ordered to lie on the table.)

Mr. LOTT submitted an amendment intended to be proposed by him to the bill, S. 1026, supra, as follows:

On page 202, line 16, insert "or upgrade" after "award".

THURMOND AMENDMENT NO. 2188

(Ordered to lie on the table.)

Mr. THURMOND submitted an amendment intended to be proposed by him to the bill, S. 1026, supra, as follows:

On page 114, beginning on line 9, strike out **"READY RESERVE COMPONENT OF THE READY RESERVE FLEET."** and insert in lieu thereof **"THE NATIONAL DEFENSE RESERVE FLEET.".**

On page 114, beginning on line 20, strike out "of the Ready Reserve component"

HEFLIN (AND SHELBY) AMENDMENT NO. 2189

(Ordered to lie on the table.)

Mr. HEFLIN (for himself and Mr. SHELBY) submitted an amendment intended to be proposed by them to the bill, S. 1026, supra, as follows:

On page 58, line 13, insert ", except that Minuteman boosters may not be used as part of a national missile defense architecture" before the period at the end.

HELMS AMENDMENT NO. 2190

(Ordered to lie on the table.)

Mr. HELMS submitted an amendment intended to be proposed by him to the bill, S. 1026, supra, as follows:

Beginning on page 359, strike out lines 20 and 21, and insert in lieu thereof the following:

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

HEFLIN (AND SHELBY) AMENDMENT NO. 2191

(Ordered to lie on the table.)

Mr. HEFLIN (for himself and Mr. SHELBY) submitted an amendment intended to be proposed by them to the bill, S. 1026, supra, as follows:

On page 69, between lines 9 and 10, insert the following:

SEC. 242. BALLISTIC MISSILE DEFENSE TECHNOLOGY CENTER.

(a) ESTABLISHMENT.—The Director of the Ballistic Missile Defense Organization shall establish a Ballistic Missile Defense Technology Center within the Space and Strategic Defense Command of the Army.

(b) MISSION.—The missions of the Center are as follows:

(1) To maximize common application of ballistic missile defense component technology programs, target test programs, functional analysis and phenomenology investigations.

(2) To store data from the missile defense technology programs of the Armed Forces using computer facilities of the Missile Defense Data Center.

(c) TECHNOLOGY PROGRAM COORDINATION WITH CENTER.—The Secretary of Defense, acting through the Director of the Ballistic Missile Defense Organization, shall require the head of each element or activity of the Department of Defense beginning a new missile defense program referred to in subsection (b)(1) to first coordinate the program with the Ballistic Missile Defense Technology Center in order to prevent duplication of effort.

PRESSLER AMENDMENT NO. 2192

(Ordered to lie on the table.)

Mr. PRESSLER submitted an amendment intended to be proposed by him to the bill, S. 1026, supra, as follows:

On page 343, after line 24, insert the following:

SEC. 1036. ESTABLISHMENT OF JUNIOR R.O.T.C. UNITS IN INDIAN RESERVATION SCHOOLS.

It is the sense of Congress that the Secretary of Defense should ensure that secondary educational institutions on Indian reservations are afforded a full opportunity along with other secondary educational institutions to be selected as locations for establishment of new Junior Reserve Officers' Training Corps units.

HELMS AMENDMENT NO. 2193

(Ordered to lie on the table.)

Mr. HELMS submitted an amendment intended to be proposed by him to the bill, S. 1026, supra, as follows:

On page 348, beginning on line 23, strike out "to Congress" and insert in lieu thereof the following: "to the Committees on Armed Services and on Foreign Relations of the Senate and the Committees on National Security and on International Relations of the House of Representatives".

On page 368, line 7, after "defense committees" insert the following: ", the Committee on Foreign Relations of the Senate, and the Committee on International Relations of the House of Representatives".

COHEN AMENDMENT NO. 2194

(Ordered to lie on the table.)

Mr. COHEN submitted an amendment intended to be proposed by him to the bill, S. 1026, supra, as follows:

On page 334, strike out lines 6 through 15.

On page 334, line 16, strike out "(d)" and insert in lieu thereof "(c)".

On page 334, line 19, strike out "(e)" and insert in lieu thereof "(d)".

THURMOND AMENDMENTS NOS. 2195-2196

(Ordered to lie on the table.)

Mr. THURMOND submitted two amendments intended to be proposed by him to the bill, S. 1026, supra, as follows:

AMENDMENT NO. 2195

On page 313, between lines 8 and 9, insert the following:

SEC. 815. COST AND PRICING DATA.

(A) ARMED SERVICE PROCUREMENTS.—Section 2306a(d)(2)(A)(i) of title 10, United States Code, is amended by striking out "and the procurement is not covered by an exception in subsection (b)," and inserting in lieu thereof "and the offeror or contractor requests to be exempted from the requirement for submission of cost or pricing data pursuant to this subsection,".

(b) CIVILIAN AGENCY PROCUREMENTS.—Section 304A(d)(2)(A)(i) of the Federal Property and Administrative services Act of 1949 (41 U.S.C. 254b(d)(2)(A)(i)) is amended by striking out "and the procurement is not covered by an exception in subsection (b)," and inserting in lieu thereof "and the offeror or contractor requests to be exempted from the requirement for submission of cost or pricing data pursuant to this subsection,".

SEC. 816. PROCUREMENT NOTICE TECHNICAL AMENDMENTS.

Section 18(c)(1)(E) of the Office of Federal Procurement Policy Act (41 U.S.C. 416(c)(1)(E)) is amended by inserting after "requirements contract" the following: ", a task order contract, or a delivery order contract".

SEC. 817. REPEAL OF DUPLICATIVE AUTHORITY FOR SIMPLIFIED ACQUISITION PURCHASES.

Section 31 of the Office of Federal Procurement Policy Act (41 U.S.C. 427) is amended—

(1) by striking out subsections (a), (b), and (c);

(2) by redesignating subsections (d), (e), and (f) as (a), (b), and (c), respectively;

(3) in subsection (b), as so redesignated, by striking out "provided the Federal Acquisition Regulation pursuant to this section" each place it appears and inserting in lieu thereof "contained in the Federal Acquisition Regulation"; and

(4) by adding at the end the following:

"(d) PROCEDURES DEFINED.—The simplified acquisition procedures referred to in this section are the simplified acquisition procedures that are provided in the Federal Acquisition Regulation pursuant to section 2304(g) of title 10, United States Code, and section 303(g) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(g)).".

SEC. 818. MICRO-PURCHASES WITHOUT COMPETITIVE QUOTATIONS.

Section 32(d) of the Office of Federal Procurement Policy Act (41 U.S.C. 428) is amended by striking out "the contracting officer" and inserting in lieu thereof "an employee of an executive agency or a member of the Armed Forces of the United States authorized to do so".

AMENDMENT NO. 2196

On page 381, beginning on line 5, strike out "(a)" and all that follows through "ACTIVITIES.—" on line 6.

On page 381, strike out lines 13 through 16.

On page 403, strike out lines 5 through 16.

LOTT AMENDMENT NO. 2197

(Ordered to lie on the table.)

Mr. LOTT submitted an amendment intended to be proposed by him to the bill, S. 1026, supra, as follows:

Beginning on page 20, line 24, strike out "reviewed" and all that follows through page 21, line 2, and insert in lieu thereof "qualified for operational use and platform certifications have been completed for full qualification of an alternative composite rocket motor and propellant.".

SHELBY AMENDMENT NO. 2198

(Ordered to lie on the table.)

Mr. SHELBY submitted an amendment intended to be proposed by him to the bill, S. 1026, supra, as follows:

(a) On page 32, before line 20, Section 201 (4) is amended by adding the following new subsection:

(C) 475,470,000 is authorized for Other Theater Missile Defense, of which up to $25,000,000 may be made available for the operation of the Battlefield Integration Center.

DOLE AMENDMENT NO. 2199

(Ordered to lie on the table.)

Mr. DOLE submitted an amendment intended to be proposed by him to the bill, S. 1026, supra, as follows:

On page 31, after line 22, insert the following:

SEC. 133. JOINT PRIMARY AIRCRAFT TRAINING SYSTEM PROGRAM.

Of the amount authorized to be appropriated under section 103(1), $54,968,000 shall be available for the Joint Primary Aircraft Training System program for procurement of up to eight aircraft.

SMITH AMENDMENT NO. 2200

(Ordered to lie on the table.)

Mr. SMITH submitted an amendment intended to be proposed by him to the bill S. 1026, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. . DEPRESSED ALTITUDE GUIDED GUN ROUND SYSTEM.

Of the funds authorized for Army RDT&E, $5 million may be utilized to continue development of the Depressed Altitude Guided Gun Round System.

DOMENICI (AND INOUYE) AMENDMENT NO. 2201

(Ordered to lie on the table.)

Mr. DOMENICI (for himself and Mr. INOUYE) submitted an amendment intended to be proposed by them to the bill, S. 1026, supra, as follows:

On page , strike lines through , and insert in lieu thereof and renumber accordingly: "(1) $45.896 million for the Army EAC Communications.

DOMENICI AMENDMENT NO. 2202

(Ordered to lie on the table.)

Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill, S. 1026, supra, as follows:

On page , strike lines through , and insert in lieu thereof and renumber accordingly: "(1) $20 million for the excimer laser.

WARNER AMENDMENT NO. 2203

(Ordered to lie on the table.)

Mr. WARNER submitted an amendment intended to be proposed by him to the bill, S. 1026, supra, as follows:

At the appropriate place add the following:

SECTION 1. DESIGNATION OF NATIONAL MARITIME CENTER.

The NAUTICUS building, located at one Waterside Drive, Norfolk, Virginia, shall be known and designated as the "National Maritime Center".

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the building referred to in section 1 shall be deemed to be a reference to the "National Maritime Center".

MCCAIN AMENDMENT NO. 2204

(Ordered to lie on the table.)

Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill, S. 1026, supra, as follows:

On page 468, below line 24, add the following:

SEC. 2825. IMPROVEMENT OF BASE CLOSURE AND REALIGNMENT PROCESS.

(a) APPLICABILITY.—Subparagraph (A) of section 2905(b)(7) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended by striking out "Determinations of the use to assist the homeless of buildings and property located at installations approved for closure under this part" and inserting in lieu thereof "Procedures for the disposal of buildings and property located at installations approved for closure or realignment under this part".

(b) REDEVELOPMENT AUTHORITIES.—Subparagraph (B) of such section is amended by adding at the end the following:

"(iii) The chief executive officer of the State in which an installation covered by this paragraph is located may assist in resolving any disputes among citizens or groups of citizens as to the individuals and groups constituting the redevelopment authority for the installation.".

(c) AGREEMENTS UNDER REDEVELOPMENT PLANS.—Subparagraph (F)(ii)(I) of such section is amended in the second sentence by striking out "the approval of the redevelopment plan by the Secretary of Housing and Urban Development under subparagraph (H) or (J)" and inserting in lieu thereof "the decision regarding the disposal of the buildings and property covered by the agreements by the Secretary of Defense under subparagraph (K) or (L)".

(d) REVISION OF REDEVELOPMENT PLANS.—Subparagraph (I) of such section is amended

by inserting "the Secretary of Defense and" before "the Secretary of Housing and Urban Development" each place it appears.

(e) DISPOSAL OF BUILDINGS AND PROPERTY.—(1) Subparagraph (K) of such section is amended to read as follows:

"(K)(i) Upon receipt of a notice under subparagraph (H)(iv) or (J)(ii) of the determination of the Secretary of Housing and Urban Development that a redevelopment plan for an installation meets the requirements set forth in subparagraph (H)(i), the Secretary of Defense shall dispose of the buildings and property at the installation.

"(ii) For purposes of carrying out an environmental assessment of the closure or realignment of an installation, the Secretary shall treat the redevelopment plan for the installation (including the aspects of the plan providing for disposal to State or local governments, representatives of the homeless, and other interested parties) as part of the proposed Federal action for the installation.

"(iii) The Secretary shall dispose of buildings and property under clause (i) in accordance with the record of decision or other decision document prepared by the Secretary in accordance with the National Environmental Policy Act of 1969 (42 U.S.C. 4331 et seq.) In preparing the record of decision or other decision document, the Secretary shall give substantial deference to the redevelopment plan concerned.

"(iv) The disposal under clause (i) of buildings and property to assist the homeless shall be without consideration.

"(v) In the case of a request for a conveyance under clause (i) of buildings and property for public benefit under section 203(k) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(k)) and subchapter II of chapter 471 of title 49, United States Code, the applicant and use proposed in the request shall be determined to be eligible for the public benefit conveyance under the eligibility criteria set forth in such section or such subchapter. The determination of such eligibility should be made before the redevelopment plan concerned under subparagraph (G) ".

(2) Subparagraph (L) of such section is amended by striking out clauses (iii) and (iv) and inserting in lieu thereof the following new clauses (iii) and (iv):

"(iii) Not later than 90 days after the date of the receipt of a revised plan for an installation under subparagraph (J), the Secretary of Housing and Urban Development shall—

"(I) notify the Secretary of Defense and the redevelopment authority concerned of the buildings and property at an installation under clause (i)(IV) that the Secretary of Housing and Urban Development determines are suitable for use to assist the homeless; and

"(II) notify the Secretary of Defense of the extent to which the revised plan meets the criteria set forth in subparagraph (H)(i).

"(iv)(I) Upon notice from the Secretary of Housing and Urban Development with respect to an installation under clause (iii), the Secretary of Defense shall, after consultation with the Secretary of Housing and Urban Development and redevelopment authority concerned, dispose of buildings and property at the installation.

"(II) For purposes of carrying out an environmental assessment of the closure or realignment of an installation, the Secretary shall treat the redevelopment plan for the installation (including the aspects of the plan providing for disposal to State or local governments, representatives of the homeless, and other interested parties) as part of the proposed Federal action for the installation.

"(III) The Secretary shall dispose of buildings and property under subclause (I) in accordance with the record of decision or other decision document prepared by the Secretary in accordance with the National Environmental Policy Act of 1969 (42 U.S.C. 4331 et seq.) In preparing the record of decision or other decision document, the Secretary shall give deference to the redevelopment plan concerned.

"(IV) The disposal under subclause (I) of buildings and property to assist the homeless shall be without consideration.

"(V) In the case of a request for a conveyance under clause (i) of buildings and property for public benefit under section 203(k) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(k)) and subchapter II of chapter 471 of title 49, United States Code, the applicant and use proposed in the request shall be determined to be eligible for the public benefit conveyance under the eligibility criteria set forth in such section or such subchapter. The determination of such eligibility should be made before the redevelopment plan concerned under subparagraph (G) ".

(f) CONFORMING AMENDMENT.—Subparagraph (M)(i) of such section is amended by inserting "or (L)" after "subparagraph (K)".

(g) CLARIFICATION OF PARTICIPANTS IN PROCESS.—Such section is further amended by adding at the end the following:

"(P) For purposes of this paragraph, the term 'other interested parties', in the case of an installation, includes any parties eligible for the conveyance of property of the installation under section 203(k) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(k)) or subchapter II of chapter 471 of title 49, United States Code, whether or not the parties assist the homeless.".

(h) TECHNICAL AMENDMENTS.—Section 2910 of such Act is amended—

(1) by designating the paragraph (10) added by section 2(b) of the Base Closure Community Redevelopment and Homeless Assistance Act of 1994 (Public Law 103-421; 108 Stat. 4352) as paragraph (11); and

(2) in such paragraph, as so designated, by striking out "section 501(h)(4) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411(h)(4))" and inserting in lieu thereof "section 501(i)(4) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411(i)(4))".

SEC. 2826. EXERCISE OF AUTHORITY DELEGATED BY THE ADMINISTRATOR OF GENERAL SERVICES.

Section 2905(b)(2) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended—

(1) in subparagraph (A)—

(A) by striking out "Subject to subparagraph (C)" in the matter preceding clause (i) and inserting in lieu thereof "Subject to subparagraph (B)"; and

(B) by striking out "in effect on the date of the enactment of this Act" each place it appears in clauses (i) and (ii);

(2) by striking out subparagraphs (B) and (C) and inserting in lieu thereof the following new subparagraph (B):

"(B) The Secretary may, with the concurrence of the Administrator of General Services—

"(i) prescribe general policies and methods for utilizing excess property and disposing of surplus property pursuant to the authority delegated under paragraph (1); and

"(ii) issue regulations relating to such policies and methods which regulations supersede the regulations referred to in subparagraph (A) with respect to that authority."; and

(3) by redesignating subparagraphs (D) and (E) as subparagraphs (C) and (D), respectively.

SEC. 2827. LEASE BACK OF PROPERTY DISPOSED FROM INSTALLATIONS APPROVED FOR CLOSURE OR REALIGNMENT.

(a) AUTHORITY.—Section 2905(b)(4) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended—

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

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

"(C)(i) The Secretary may transfer real property at an installation approved for closure or realignment under this part (including property at an installation approved for realignment which property will be retained by the Department of Defense or another Federal agency after realignment) to the redevelopment authority for the installation if the redevelopment authority agrees to lease, directly upon transfer, all or a significant portion of the property transferred under this subparagraph to the Secretary or to the head of another department or agency of the Federal Government. Subparagraph (B) shall apply to a transfer under this subparagraph.

"(ii) A lease under clause (i) shall be for a term of not to exceed 50 years, but may provide for options for renewal or extension of the term by the department or agency concerned.

"(iii) A lease under clause (i) may not require rental payments by the United States.

"(iv) A lease under clause (i) shall include a provision specifying that if the department or agency concerned ceases requiring the use of the leased property before the expiration of the term of the lease, the remainder of the lease term may, upon approval by the redevelopment authority concerned, be satisfied by the same or another department or agency of the Federal Government using the property for a use similar to the use under the lease.".

(b) USE OF FUNDS TO IMPROVE LEASED PROPERTY.—Notwithstanding any other provision of law, a department or agency of the Federal Government that enters into a lease of property under section 2905(b)(4)(C) of the such Act, as amended by subsection (a), may use funds appropriated or otherwise available to the department or agency for such purpose to improve the leased property.

SEC. 2828. PROCEEDS OF LEASES AT INSTALLATIONS APPROVED FOR CLOSURE OR REALIGNMENT.

(a) INTERIM LEASES.—Section 2667(d) of title 10, United States Code, is amended—

(1) in paragraph (1)(A)—

(A) by striking out "and" at the end of clause (i);

(B) by striking out the period at the end of clause (ii) and inserting in lieu thereof "; and"; and

(C) by adding at the end the following:

"(iii) money rentals referred to in paragraph (5).."; and

(2) by adding at the end the following:

"(5) Money rentals received by the United States under subsection (f) shall be deposited in the Department of Defense Base Closure Account 1990 established under section 2906(a) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note).".

(b) DEPOSIT IN 1990 ACCOUNT.—Section 2906(a)(2) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended—

(1) in subparagraph (C)—

(A) by striking out "transfer or disposal" and inserting in lieu thereof "transfer, lease, or other disposal"; and

(B) by striking out "and" at the end;

(2) in subparagraph (D)—

(A) by striking out "transfer or disposal" and inserting in lieu thereof "transfer, lease, or other disposal"; and

(B) by striking out the period at the end and inserting in lieu thereof "; and"; and

(3) by adding at the end the following:

"(E) money rentals received by the United States under section 2667(f) of title 10, United States Code.".

THURMOND AMENDMENTS NOS. 2205–2206

(Ordered to lie on the table.)

Mr. THURMOND submitted two amendments intended to be proposed by him to the bill, S. 1026, supra, as follows:

AMENDMENT NO. 2205

At the appropriate place in the bill insert the following new section:

SEC. . MODIFICATIONS TO THE ABM TREATY TO BE ENTERED INTO ONLY THROUGH TREATY MAKING POWER.

(a) REQUIREMENT FOR USE OF TREATY MAKING POWER.—The United States shall not be bound by any international agreement entered into by the President that would substantively modify the ABM Treaty unless the agreement is entered pursuant to the treaty making power of the President under the Constitution.

(b) SUBSTANTIVE MODIFICATION DEFINED.—A substantive modification to the ABM Treaty shall include, but not be limited to:

(1) any agreement that would place limitations on the performance parameters of a theater missile defense system, system upgrade, or system component, including but not limited to velocity limitations on interceptor missiles, limitations on the power or performance of sensor systems, and the ability of theater missile defense systems to exploit space-based or other external sensor data;

(2) any agreement that would place deployment or operational limitations on a theater missile defense system, system upgrade or system component, including numerical or geographical limitations;

(3) any agreement that would change the ABM Treaty from a bilateral treaty into a multi-lateral treaty.

AMENDMENT NO. 2206

At the appropriate place in the bill insert the following new section:

SEC. . MODIFICATIONS TO THE ABM TREATY TO BE ENTERED INTO ONLY THROUGH TREATY MAKING POWER.

(a) REQUIREMENT FOR USE OF TREATY MAKING POWER.—The United States shall not be bound by any international agreement entered into by the President that would substantively modify the ABM Treaty unless the agreement is entered pursuant to the treaty making power of the President under the Constitution.

(b) SUBSTANTIVE MODIFICATION DEFINED.—A substantive modification to the ABM Treaty shall include, but not be limited to:

(1) any agreement that would place limitations on the performance parameters of a theater missile defense system, system upgrade, or system component, including but not limited to velocity limitations on interceptor missiles, limitations on the power or performance of sensor systems, and the ability of theater missile defense systems to exploit space-based or other external sensor data;

(2) any agreement that would place deployment or operational limitations on a theater missile defense system, system upgrade or system component, including numerical or geographical limitations;

(3) any agreement that would change the ABM Treaty from a bilateral treaty into a multi-lateral treaty.

(c) FINDING.—Congress finds that unless a missile defense or air defense system, system upgrade, or system component, including one that exploits data from space-based or other external sensors, is flight tested against a ballistic missile that exceeds a range of 3,500 kilometers or a velocity of 5 kilometers per second, such missile defense or air defense system, system upgrade, or system component has not, for purposes of the ABM Treaty been tested in an ABM mode nor been given capabilities to counter strategic ballistic missiles.

KYL AMENDMENT NO. 2207

(Ordered to lie on the table.)

Mr. KYL submitted an amendment intended to be proposed by him to the bill, S. 1026, supra, as follows:

On page 246, between lines 7 and 8, insert the following:

(c) ADDITIONAL LIMITATION ON USE OF FUNDS FOR COOPERATIVE THREAT REDUCTION.—(1) Of the amount available under section 301(18) for Cooperative Threat Reduction for dismantlement and destruction of chemical weapons, $104,000,000 may not be obligated or expended for that purpose until the President certifies to Congress the following:

(A) That the United States and Russia have completed a joint study evaluating the feasibility of the proposal of Russia to neutralize its chemical weapons.

(B) That Russia agrees to prepare a comprehensive plan to manage the dismantlement and destruction of the Russia chemical weapons stockpile,

(C) That Russia has resolved outstanding issues under the 1989 Wyoming Memorandum of Understanding and the 1990 Bilateral Destruction Agreement.

(3) In this section:

(A) The term "1989 Wyoming Memorandum of Understanding" means the Memorandum of Understanding between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics Regarding a Bilateral Verification Experiment and Data Exchange Related to Prohibition on Chemical Weapons, signed at Jackson Hole, Wyoming, on _____, 1989.

(B) The term "1990 Bilateral Destruction Agreement" means the Agreement between the United States of America and the Union of Soviet Socialist Republics on destruction and non-production of chemical weapons and on measures to facilitate the multilateral convention on banning chemical weapons signed at _____ on ___, 1990.

BROWN AMENDMENT NO. 2208

(Ordered to lie on the table.)

Mr. BROWN submitted an amendment intended to be proposed by him to the bill, S. 1026, supra, as follows:

At the appropriate place in the bill add the following:

"SEC. . STUDY ON CHEMICAL WEAPONS STOCKPILE.

(a) STUDY.—(1) The Secretary of Defense shall conduct a study to assess the risk associated with transportation of the unitary stockpile, any portion of the stockpile to include drained agent from munition and munition, from one location to another within the continental United States. Also, the Secretary shall include a study of the assistance available to communities in the vicinity if the Department of Defense facilities co-located with continuing chemical stockpile and chemical demilitarization operations which facilities are subject to closure, realignment, or reutilization.

(2) The review shall include an analysis of—

(A) the results of the physical and chemical integrity report conducted by the Army on existing stockpile;

(B) a determination of the viability of transportation of any portion of the stockpile, to include drained agent from munitions and the munitions;

(C) the safety, cost-effectiveness, and public acceptability of transporting the stockpile, in its current configuration, or in alternative configurations;

(D) the economic effects of closure, realignment, or reutilization of the facilities referred to in paragraph (1) on the communities referred to in that paragraph; and

(E) the unique problems that such communities face with respect to the reuse of such facilities as a result of the operations referred to in paragraph (1).

(b) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the study carried out under subsection (a). The report shall include recommendations of the Secretary on methods for ensuring the expeditious and cost-effective transfer or lease of facilities referred to in paragraph (1) of subsection (a) to communities referred to in paragraph (1) for reuse by such communities."

THURMOND AMENDMENTS NOS. 2209–2211

(Ordered to lie on the table.)

Mr. THURMOND submitted three amendments intended to be proposed by him to the bill, S. 1026, supra, as follows:

AMENDMENT NO. 2209

On page 137, after line 24, add the following:

SEC. 389. DEMONSTRATION PROJECT FOR REPAIR OF STEAM SYSTEMS AT MILITARY INSTALLATIONS.

(a) IN GENERAL.—The Secretary of Defense shall carry out in fiscal year 1996 a demonstration project at a military installation designated by the Secretary in the National Capital region in order to determine the benefits to the Department of Defense of inspecting, maintaining, and repairing steam systems at military installations.

(2) In carrying out the project, the Secretary shall, without interruption in steam service to the installation, replace the defective steam traps at the installation with steam traps that are guaranteed by the manufacturer.

(b) PLAN AND REPORT.—(1) Not later than 60 days after the date of the enactment of this Act, the Secretary shall submit to the Committee on Armed Services of the Senate

and the Committee on National Security of the House of Representatives a plan for the project under subsection (a). The plan shall set forth—

(A) the installation designated as the location of the project;

(B) the scope of the project; and

(C) the estimated cost of the project.

(2) Upon completion of the project, the Secretary shall submit to the committees referred to in paragraph (1) a report on the project. The report shall—

(A) describe the cost savings to the Department that were achieved under the project;

(B) estimate the cost savings to the Department that would be achieved by carrying out similar activities with respect to steam systems at other installations; and

(C) include the recommendations of the Secretary for continuing and improving such activities.

(c) FUNDING.—The Secretary shall carry out the project under subsection (a) using funds available for the Federal energy management program.

AMENDMENT NO. 2210

On page 61, strike out lines 20 and 21, and insert in lieu thereof the following:

(1) the Senate should undertake a comprehensive review of

On page 62, line 2, strike out "and".

On page 62, strike out lines 2 through 7, and insert in lieu thereof the following:

(2) upon completion of the review, the Committee on Foreign Relations, in consultation with the Committee on Armed Services and other appropriate committees, should report its findings to the Senate.

On page 63, beginning on line 6, strike out "any" and all that follows through line 7, and insert in lieu thereof "the Committee on Foreign Relations and".

AMENDMENT NO. 2211

On page 61, strike out lines 20 and 21, and insert in lieu thereof the following:

(1) the Senate should undertake a comprehensive review of

On page 62, line 2, strike out "and".

On page 62, strike out lines 3 through 11, and insert in lieu thereof the following:

(2) upon completion of the review, the Committee on Foreign Relations, in consultation with the Committee on Armed Services and other appropriate committees, should report its findings to the Senate.

On page 63, beginning on line 6, strike out "any" and all that follows through line 7, and insert in lieu thereof "the Committee on Foreign Relations and".

McCAIN (AND GLENN) AMENDMENTS NOS. 2212–2213

(Ordered to lie on the table.)

Mr. McCAIN (for himself and Mr. GLENN) submitted two amendments intended to be proposed by them to the bill, S. 1026, supra, as follows:

AMENDMENT NO. 2212

On page 487, below line 24, add the following:

SEC. 2838. LAND CONVEYANCE, RADAR BOMB SCORING SITE, POWELL, WYOMING.

(a) AUTHORITY TO CONVEY.—The Secretary of the Air Force may convey, without consideration, to the Northwest College Board of Trustees (in this section referred to as the "Board"), all right, title, and interest of the United States in and to a parcel of real property (including any improvements thereon) consisting of approximately 24 acres located in Powell, Wyoming, which has served as the location of a support complex, recreational facilities, and housing facilities for the Radar Bomb Scoring Site, Powell, Wyoming.

(b) CONDITION OF CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the condition that the Board use the property conveyed under that subsection for housing and recreation purposes and for such other purposes as the Secretary and the Board jointly determine appropriate.

(c) REVERSIONARY INTEREST.—During the 5-year period beginning on the date that the Secretary makes the conveyance authorized under subsection (a), if the Secretary determines that the conveyed property is not being used in accordance with subsection (b), all right, title, and interest in and to the conveyed property, including any improvements thereon, shall revert to the United States and the United States shall have the right of immediate entry onto the property.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property conveyed under this section shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Board.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

AMENDMENT NO. 2213

On page 487, below line 24, add the following:

SEC. 2838. LAND CONVEYANCE, RADAR BOMB SCORING SITE, FORSYTH, MONTANA.

(a) AUTHORITY TO CONVEY.—The Secretary of the Air Force may convey, without consideration, to the City of Forsyth, Montana (in this section referred to as the "City"), all right, title, and interest of the United States in and to the parcel of property (including any improvements thereon) consisting of approximately 58 acres located in Forsyth, Montana, which has served as a support complex and recreational facilities for the Radar Bomb Scoring Site, Forsyth, Montana.

(b) CONDITION OF CONVEYANCE.—The conveyance under subsection (a) shall be subject to the condition that the City—

(1) utilize the property and recreational facilities conveyed under that subsection for housing and recreation purposes; or

(2) enter into an agreement with an appropriate public or private entity to lease such property and facilities to that entity for such purposes.

(c) REVERSION.—If the Secretary determines at any time that the property conveyed under subsection (a) is not being utilized in accordance with paragraph (1) or paragraph (2) of subsection (b), all right, title, and interest in and to the conveyed property, including any improvements thereon, shall revert to the United States and the United States shall have the right of immediate entry onto the property.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property conveyed under this section shall be determined by a survey satisfactory to the Secretary. The cost of such survey shall be borne by the City.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary determines appropriate to protect the interests of the United States.

KEMPTHORNE AMENDMENT NO. 2214

(Ordered to lie on the table.)

Mr. KEMPTHORNE submitted an amendment intended to be proposed by him to the bill, S. 1026, supra; as follows:

Insert at the appropriate place the following:

(a) SENSE OF THE SENATE.—The Department of Defense, the Department of Energy and the Governor of the State of Idaho should continue good faith negotiations for the purpose of reaching an agreement on the issue of spent nuclear fuel shipments from naval reactors.

(a) REPORT.—(1) Not later than September 1, 1995, the Secretary of Defense shall report in writing to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives on the status or outcome of the negotiations required under subsection (b).

(2) The report shall include the following matters:

(A) If an agreement is reached, the terms of the agreement, including the dates on which shipments of spent nuclear fuel from naval reactors will resume.

(B) If an agreement is not reached—

(i) The Secretary's evaluation of the issues remaining to be resolved before an agreement can be reached;

(ii) the likelihood that an agreement will be reached before October 1, 1995; and

(iii) the steps that must be taken to insure that the Navy can meet the national security requirements of the nation.

LEVIN AMENDMENTS NOS. 2215–2217

(Ordered to lie on the table.)

Mr. LEVIN submitted three amendments intended to be proposed by him to the bill, S. 1026, supra, as follows:

AMENDMENT NO. 2215

At the appropriate place in the bill, insert the following:

SEC. . The Senate finds that the Second Strategic Arms Reduction Treaty (START II agreement) was signed by President George Bush and Russian President Boris Yeltsin on January 3, 1993, and

a. FINDINGS.—

(1) the ratified START I agreement has already led to significant reductions in the number of nuclear warheads targeted on the United States; and

(2) the START II agreement, once ratified, will lead to further reductions of thousands of Russian nuclear warheads; and

(3) it is in the national security interest of the United States to have thousands of Russian missiles and warheads retired and dismantled; and

(4) the Joint Chiefs of Staff have given enthusiastic support for the START II agreement in testimony before the Congress, certifying that it will add to the safety and security of the United States; and

(5) the START II agreement helps to reduce the threat of nuclear war and advances the non-proliferation interests of the United States; and

(6) the full implementation of the START II agreement by the Russian Federation will greatly consolidate control and improve the security of the remaining warheads, reducing opportunities for unauthorized access or theft of these warheads; and

(7) the reduced nuclear forces for both countries will lead to major cost savings for the United States military; and

(8) by the year 2003, the United States will still maintain a robust deterrent force of 3,500 nuclear warheads; and

(9) the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction (hereafter referred to as the "Convention") would establish a comprehensive ban on chemical weapons, and its negotiation has enjoyed strong, bipartisan Congressional support and the support of the last six administrations; and

(10) the Convention requires participating states to destroy their chemical arsenals and production facilities under international supervision, which would accelerate progress toward the disarmament of chemical weapons in a majority of the states believed to harbor them; and

(11) the Chairman of the Joint Chiefs of Staff, General John Shalikashvili, has testified in support of the ratification of the Convention and stated that United States military forces would deter and respond to chemical weapons threats with robust chemical defenses and overwhelming conventional forces; and

(12) the United States chemical industry assisted in crafting an effective verification protocol and testified in support of the Convention's ratification; and

(13) the United States intelligence agencies have testified that the Convention will provide new and important sources of information, through regular data exchanges and routine and challenge inspections, to improve the ability of the United States to assess the chemical weapons status in countries of concern; and

(14) the Convention will gradually isolate and automatically penalize states which refuse to join by preventing them from gaining access to dual-use chemicals and creating a basis for monitoring illegal diversions of those materials; and

(15) Russia has signed the Convention but has not yet ratified it, and there have been reports of continued Russian testing and production of chemical weapons; and

(16) the Convention will impose a legally binding obligation on Russia and other nations that process chemical weapons to cease offensive chemical weapons activities and to destroy their chemical weapons stockpiles and production facilities: Now, therefore, be it

(b) It is the sense of the Senate that the United States Senate—

(1) declares that it is in the national security interest of the United States to duly ratify and fully implement the deep cuts in strategic forces required by the START II arms reduction treaty negotiated by Presidents Ronald Reagan and George Bush, and Russian leaders Mikhail Gorbachev and Boris Yeltsin; and

(2) declares that the Senate should take up consideration of the START II Treaty and the Chemical Weapons Convention for advice and consent to ratification on a priority basis during the first session of the 104th Congress.

AMENDMENT NO. 2216

At the appropriate place in the bill, insert the following:

SEC. . RESIDUAL VALUE REPORT.—The Secretary of Defense, in coordination with the Director of the Office of Management and Budget (OMB), shall submit to the Congressional defense committees status reports on the results of residual value negotiations between the United States and Germany, within 30 days of the receipt of such reports to the OMB.

The reports shall include the following information:

(1) The estimated residual value of U.S. capital value and improvements to facilities in Germany that the U.S. has turned over to Germany.

(2) The actual value obtained by the U.S. for each facility or installation turned over to the government of Germany.

(3) The reason(s) for any difference between the estimated and actual value obtained.

AMENDMENT NO. 2217

At the appropriate point in the bill, insert the following:

SEC. . Encouragement of use of leasing authority.

(a) IN GENERAL.—(1) Chapter 137 of title 10, United States Code, is amended by inserting after section 2316 the following new section:

"SEC. 2317. EQUIPMENT LEASING.

"The Secretary of Defense is authorized to use leasing in the acquisition of commercial vehicles when such leasing is practicable and efficient."

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2317. Equipment Leasing."

(b) REPORT.—Not later than 90 days after the date of enactment of this Act, the Secretary of Defense shall submit a report setting forth changes in legislation that would be required to facilitate the use of leases by the Department of Defense in the acquisition of equipment.

(c) PILOT PROGRAM.—The Secretary of the Army may conduct a pilot program for leasing of commercial vehicles as follows:

(1) Existing commercial utility cargo vehicles may be traded-in for credit against new replacement commercial utility cargo vehicle lease costs;

(2) Quantities of commercial utility cargo vehicles to be traded in and their value to be credited shall be subject to negotiations between the parties;

(3) New commercial utility cargo vehicle lease agreements may be executed with or without options to purchase at the end of each lease period;

(4) New commercial utility cargo vehicle lease periods may not exceed five years; and

(5) One year after the date of enactment of this Act, the Secretary of the Army shall submit a report setting forth the status of the pilot program.

(6) EXPIRATION OF AUTHORITY.—This section shall cease to be effective on September 30, 2000.

KENNEDY AMENDMENT NO. 2218

(Ordered to lie on the table.)

Mr. KENNEDY submitted an amendment intended to be proposed by him to the bill, S. 1026, supra; as follows:

On page 30, following line 13, insert the following:

SEC. . REPORT ON AH-64D ENGINE UPGRADES.

(a) REPORT.—No later than February 1, 1996, the Secretary of the Army shall submit to Congress a report on plans to procure T700-701 engine upgrade kits for Army AH-64D helicopters.

The report shall include:

(1) a plan to provide for the upgrade of all Army AH-64D helicopters with T700-701 engine kits commencing in FY 1996.

(2) detailed timeline and funding requirements for the engine upgrade program described in (a)(1).

THURMOND AMENDMENTS NOS. 2219-2221

(Ordered to lie on the table.)

Mr. THURMOND submitted three amendments intended to be proposed by him to the bill, S. 1026, supra; as follows:

AMENDMENT NO. 2219

On page 403, between lines 16 and 17, insert the following:

SEC. 1095. NATIONAL SECURITY OBJECTIVES FOR CONGRESS.

It is the sense of Congress that Congress should take the actions necessary—

(1) to guarantee the national security of the United States and the status of the United States as the preeminent military power in the world by—

(A) enacting defense budgets that meet national security requirements;

(B) defining the defense budget priorities so as to ensure an appropriate balance of personnel, near-term readiness, and long-term readiness (modernization);

(C) establishing end strengths and effective recruiting and retention policies that ensure that the Armed Forces have high quality personnel in sufficient numbers at all grade levels;

(D) providing for buying the weapons and equipment needed to fight and win decisively with minimal risk to personnel;

(E) eliminating spending in defense authorizations and appropriations Acts that does not contribute directly to the national security of the United States;

(F) ensuring that the United States has an adequate, safe, and reliable nuclear weapons capability; and

(G) evaluating peacekeeping roles, policies, and operations and their impact on budgets, readiness, and national security;

(2) to protect the quality of life of members of the Armed Forces and their families by—

(A) providing equitable pay and benefits that protect against inflation; and

(B) restoring appropriate levels of funding for construction and maintenance of troop billets and family housing;

(3) to revitalize the near-term readiness of the Armed Forces by authorizing appropriations of funds in amounts that are adequate for—

(A) reducing the backlog in maintenance and repair of equipment;

(B) providing adequate training; and

(C) maintaining sufficient stocks of supplies, repair parts, fuels, and ammunition;

(4) to ensure United States military superiority by authorizing appropriations sufficient to provide for a more robust, progressive modernization program to provide required capabilities for the future; and

(5) to accelerate development and deployment of missile defense systems by—

(A) providing for the deployment of advanced land-based and sea-based theater missile defenses as soon as practicable;

(B) clarifying in law that the Anti-Ballistic Missile Treaty does not apply to modern theater missile defense systems;

(C) reassessing the value and validity of the Anti-Ballistic Missile Treaty to the national security of the United States; and

(D) accelerating the development, testing, and deployment of a national missile defense system that is highly effective against limited attacks of ballistic missiles.

AMENDMENT NO. 2220

At the appropriate place in the bill, add the following:

SEC. 125. CRASH ATTENUATING SEATS ACQUISITION PROGRAM.

(a) PROGRAM AUTHORIZED.—The Secretary of the Navy may establish a program to procure for, and install in, H-53E military transport helicopters commercially developed, energy absorbing, crash attenuating seats that the Secretary determines are consistent with military specifications for seats for such helicopters.

(b) FUNDING.—Of the unobligated balance of amounts appropriated for the Legacy Resource Management Program pursuant to the authorization of appropriations in section 301(5) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337; 108 Stat. 2706), not more than $10,000,000 shall be available to the Secretary of the Navy, to the extent provided in appropriate acts, by transfer to the appropriate accounts, for carrying out the program authorized in subsection (a).

AMENDMENT NO. 2221

At the appropriate place, insert:

SEC. . POLICY TO DEFEND ALL AMERICANS.

It is the policy of the United States to defend Alaska and Hawaii against the threat of limited ballistic missile attack.

COATS AMENDMENTS NOS. 2222-2226

(Ordered to lie on the table.)

Mr. COATS submitted five amendments intended to be proposed by him to the bill, S. 1026, supra, as follows:

AMENDMENT NO. 2222

At the appropriate place, insert:

SEC. 564. NOMINATIONS TO SERVICE ACADEMIES FROM COMMONWEALTH OF THE NORTHERN MARIANAS ISLANDS.

(a) MILITARY ACADEMY.—Section 4342(a) of title 10, United States Code, is amended by inserting after paragraph (9) the following new paragraph:

"(10) One cadet from the Commonwealth of the Northern Marianas Islands, nominated by the resident representative from the commonwealth.".

(b) NAVAL ACADEMY.—Section 6954(a) of title 10, United States Code, is amended by inserting after paragraph (9) the following new paragraph:

"(10) One from the Commonwealth of the Northern Marianas Islands, nominated by the resident representative from the commonwealth.".

(c) AIR FORCE ACADEMY.—Section 9342(a) of title 10, United States Code, is amended by inserting after paragraph (9) the following new paragraph:

"(10) One cadet from the Commonwealth of the Northern Marianas Islands, nominated by the resident representative from the commonwealth.".

AMENDMENT NO. 2223

At the appropriate place, insert:

SEC. 560. REVISION AND CODIFICATION OF MILITARY FAMILY ACT AND MILITARY CHILD CARE ACT.

(a) IN GENERAL.—(1) Subtitle A of title 10, United States Code, is amended by inserting after chapter 87 the following new chapter:

"CHAPTER 88—MILITARY FAMILY PROGRAMS AND MILITARY CHILD CARE

"Subchapter Sec.
"I. Military Family Programs 1781
"II. Military Child Care 1791

"SUBCHAPTER I—MILITARY FAMILY PROGRAMS

"Sec.
"1781. Office of Family Policy.
"1782. Surveys of military families.
"1783. Family members serving on advisory committees.
"1784. Employment opportunities for military spouses.
"1785. Youth sponsorship program.
"1786. Dependent student travel within the United States.
"1787. Reporting of child abuse.

"§ 1781. Office of Family Policy

"(a) ESTABLISHMENT.—There is in the Office of the Secretary of Defense an Office of Family Policy (hereinafter in this section referred to as the 'Office'). The Office shall be under the Assistant Secretary of Defense for Force Management and Personnel.

"(b) DUTIES.—The Office—

"(1) shall coordinate programs and activities of the military departments to the extent that they relate to military families; and

"(2) shall make recommendations to the Secretaries of the military departments with respect to programs and policies regarding military families.

"(c) STAFF.—The Office shall have not less than five professional staff members.

"§ 1782. Surveys of military families

"(a) AUTHORITY.—The Secretary of Defense may conduct surveys of members of the armed forces on active duty or in an active status, members of the families of such members, and retired members of the armed forces to determine the effectiveness of Federal programs relating to military families and the need for new programs.

"(b) RESPONSES TO BE VOLUNTARY.—Responses to surveys conducted under this section shall be voluntary.

"(c) FEDERAL RECORDKEEPING REQUIREMENTS.—With respect to such surveys, family members of members of the armed forces and reserve and retired members of the armed forces shall be considered to be employees of the United States for purposes of section 3502(4)(A) of title 44.

"§ 1783. Family members serving on advisory committees

"A committee within the Department of Defense which advises or assists the Department in the performance of any function which affects members of military families and which includes members of military families in its membership shall not be considered an advisory committee under section 3(2) of the Federal Advisory Committee Act (5 U.S.C. App.) solely because of such membership.

"§ 1784. Employment opportunities for military spouses

"(a) AUTHORITY.—The President shall order such measures as the President considers necessary to increase employment opportunities for spouses of members of the armed forces. Such measures may include—

"(1) excepting, pursuant to section 3302 of title 5, from the competitive service positions in the Department of Defense located outside of the United States to provide employment opportunities for qualified spouses of members of the armed forces in the same geographical area as the permanent duty station of the members; and

"(2) providing preference in hiring for positions in nonappropriated fund activities to qualified spouses of members of the armed forces stationed in the same geographical area as the nonappropriated fund activity for positions in wage grade UA-8 and below and equivalent positions and for positions paid at hourly rates.

"(b) REGULATIONS.—The Secretary of Defense shall prescribe regulations—

"(1) to implement such measures as the President orders under subsection (a);

"(2) to provide preference to qualified spouses of members of the armed forces in hiring for any civilian position in the Department of Defense if the spouse is among persons determined to be best qualified for the position and if the position is located in the same geographical area as the permanent duty station of the member;

"(3) to ensure that notice of any vacant position in the Department of Defense is provided in a manner reasonably designed to reach spouses of members of the armed forces whose permanent duty stations are in the same geographic area as the area in which the position is located; and

"(4) to ensure that the spouse of a member of the armed forces who applies for a vacant position in the Department of Defense shall, to the extent practicable, be considered for any such position located in the same geographic area as the permanent duty station of the member.

"(c) STATUS OF PREFERENCE ELIGIBLES.—Nothing in this section shall be construed to provide a spouse of a member of the armed forces with preference in hiring over an individual who is a preference eligible.

"§ 1785. Youth sponsorship program

"(a) REQUIREMENT.—The Secretary of Defense shall require that there be at each military installation a youth sponsorship program to facilitate the integration of dependent children of members of the armed forces into new surroundings when moving to that military installation as a result of a parent's permanent change of station.

"(b) DESCRIPTION OF PROGRAMS.—The program at each installation shall provide for involvement of dependent children of members presently stationed at the military installation and shall be directed primarily toward children in their preteen and teenage years.

"§ 1786. Dependent student travel within the United States

"Funds available to the Department of Defense for the travel and transportation of dependent students of members of the armed forces stationed overseas may be obligated for transportation allowances for travel within or between the contiguous States.

"§ 1787. Reporting of child abuse

"(a) IN GENERAL.—The Secretary of Defense shall request each State to provide for the reporting to the Secretary of any report the State receives of known or suspected instances of child abuse and neglect in which the person having care of the child is a member of the armed forces (or the spouse of the member).

"(b) DEFINITION.—In this section, the term 'child abuse and neglect' has the meaning provided in section 3(1) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5102).

"SUBCHAPTER II—MILITARY CHILD CARE

"Sec.
"1791. Funding for military child care.
"1792. Child care employees.
"1793. Parent fees.
"1794. Child abuse prevention and safety at facilities.
"1795. Parent partnerships with child development centers.
"1796. Subsidies for family home day care.
"1797. Early childhood education program.
"1798. Definitions.

"§ 1791. Funding for military child care

"It is the policy of Congress that the amount of appropriated funds available during a fiscal year for operating expenses for military child development centers and programs shall be not less than the amount of child care fee receipts that are estimated to be received by the Department of Defense during that fiscal year.

"§ 1792. Child care employees

"(a) REQUIRED TRAINING.—(1) The Secretary of Defense shall prescribe regulations implementing, a training program for child care employees. Those regulations shall apply uniformly among the military departments. Subject to paragraph (2), satisfactory completion of the training program shall be a condition of employment of any person as a child care employee.

"(2) Under those regulations, the Secretary shall require that each child care employee complete the training program not later than six months after the date on which the employee is employed as a child care employee.

"(3) The training program established under this subsection shall cover, at a minimum, training in the following:

"(A) Early childhood development.

"(B) Activities and disciplinary techniques appropriate to children of different ages.

"(C) Child abuse prevention and detection.

"(D) Cardiopulmonary resuscitation and other emergency medical procedures.

"(b) TRAINING AND CURRICULUM SPECIALISTS.—(1) The Secretary of Defense shall require that at least one employee at each military child development center be a specialist in training and curriculum development. The Secretary shall ensure that such employees have appropriate credentials and experience.

"(2) The duties of such employees shall include the following:

"(A) Special teaching activities at the center.

"(B) Daily oversight and instruction of other child care employees at the center.

"(C) Daily assistance in the preparation of lesson plans.

"(D) Assistance in the center's child abuse prevention and detection program.

"(E) Advising the director of the center on the performance of other child care employees.

"(3) Each employee referred to in paragraph (1) shall be an employee in a competitive service position.

"(c) COMPETITIVE RATES OF PAY.—For the purpose of providing military child development centers with a qualified and stable civilian workforce, employees at a military installation who are directly involved in providing child care and are paid from nonappropriated funds—

"(1) in the case of entry-level employees, shall be paid at rates of pay competitive with the rates of pay paid to other entry-level employees at that installation who are drawn from the same labor pool; and

"(2) in the case of other employees, shall be paid at rates of pay substantially equivalent to the rates of pay paid to other employees at that installation with similar training, seniority, and experience.

"(d) EMPLOYMENT PREFERENCE PROGRAM FOR MILITARY SPOUSES.—(1) The Secretary of Defense shall conduct a program under which qualified spouses of members of the armed forces shall be given a preference in hiring for the position of child care employee in a position paid from nonappropriated funds if the spouse is among persons determined to be best qualified for the position.

"(2) A spouse who is provided a preference under this subsection at a military child development center may not be precluded from obtaining another preference, in accordance with section 1794 of this title, in the same geographic area as the military child development center.

"(e) COMPETITIVE SERVICE POSITION DEFINED.—In this section, the term 'competitive service position' means a position in the competitive service, as defined in section 2102(a)(1) of title 5.

"§ 1793. Parent fees

"(a) IN GENERAL.—The Secretary of Defense shall prescribe regulations establishing fees to be charged parents for the attendance of children at military child development centers. Those regulations shall be uniform for the military departments and shall require that, in the case of children who attend the centers on a regular basis, the fees shall be based on family income.

"(b) LOCAL WAIVER AUTHORITY.—The Secretary of Defense may provide authority to installation commanders, on a case-by-case basis, to establish fees for attendance of children at child development centers at rates lower than those prescribed under subsection (a) if the rates prescribed under subsection (a) are not competitive with rates at local non-military child development centers.

"§ 1794. Child abuse prevention and safety at facilities

"(a) CHILD ABUSE TASK FORCE.—The Secretary of Defense shall maintain a special task force to respond to allegations of widespread child abuse at a military installation. The task force shall be composed of personnel from appropriate disciplines, including, where appropriate, medicine, psychology, and childhood development. In the case of such allegations, the task force shall provide assistance to the commander of the installation, and to parents at the installation, in helping them to deal with such allegations.

"(b) NATIONAL HOTLINE.—(1) The Secretary of Defense shall maintain a national telephone number for persons to use to report suspected child abuse or safety violations at a military child development center or family home day care site. The Secretary shall ensure that such reports may be made anonymously if so desired by the person making the report. The Secretary shall establish procedures for following up on complaints and information received over that number.

"(2) The Secretary shall publicize the existence of the number.

"(c) ASSISTANCE FROM LOCAL AUTHORITIES.—The Secretary of Defense shall prescribe regulations requiring that, in a case of allegations of child abuse at a military child development center or family home day care site, the commander of the military installation or the head of the task force established under subsection (a) shall seek the assistance of local child protective authorities if such assistance is available.

"(d) SAFETY REGULATIONS.—The Secretary of Defense shall prescribe regulations on safety and operating procedures at military child development centers. Those regulations shall apply uniformly among the military departments.

"(e) INSPECTIONS.—The Secretary of Defense shall require that each military child development center be inspected not less often than four times a year. Each such inspection shall be unannounced. At least one inspection a year shall be carried out by a representative of the installation served by the center, and one inspection a year shall be carried out by a representative of the major command under which that installation operates.

"(f) REMEDIES FOR VIOLATIONS.—(1) Except as provided in paragraph (2), any violation of a safety, health, or child welfare law or regulation (discovered at an inspection or otherwise) at a military child development center shall be remedied immediately.

"(2) In the case of a violation that is not life threatening, the commander of the major command under which the installation concerned operates may waive the requirement that the violation be remedied immediately for a period of up to 90 days beginning on the date of the discovery of the violation. If the violation is not remedied as of the end of that 90-day period, the military child development center shall be closed until the violation is remedied. The Secretary of the military department concerned may waive the preceding sentence and authorize the center to remain open in a case in which the violation cannot reasonably be remedied within that 90-day period or in which major facility reconstruction is required.

"(3) If a military child development center is closed under paragraph (2), the Secretary of the military department concerned shall promptly submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report notifying those committees of the closing. The report shall include—

"(A) notice of the violation that resulted in the closing and the cost of remedying the violation; and

"(B) a statement of the reasons why the violation has not been remedied as of the time of the report.

"§ 1795. Parent partnerships with child development centers

"(a) PARENT BOARDS.—The Secretary of Defense shall require that there be established at each military child development center a board of parents, to be composed of parents of children attending the center. The board shall meet periodically with staff of the center and the commander of the installation served by the center for the purpose of discussing problems and concerns. The board, together with the staff of the center, shall be responsible for coordinating the parent participation program described in subsection (b).

"(b) PARENT PARTICIPATION PROGRAMS.—The Secretary of Defense shall require the establishment of a parent participation program at each military child development center. As part of such program, the Secretary of Defense may establish fees for attendance of children at such a center, in the case of parents who participate in the parent participation program at that center, at rates lower than the rates that otherwise apply.

"§ 1796. Subsidies for family home day care

"The Secretary of Defense may use appropriated funds available for military child care purposes to provide assistance to family home day care providers so that family home day care services can be provided to members of the armed forces at a cost comparable to the cost of services provided by military child development centers. The Secretary shall prescribe regulations for the provision of such assistance.

"§ 1797. Early childhood education program

"The Secretary of Defense shall require that all military child development centers meet standards of operation necessary for accreditation by an appropriate national early childhood programs accrediting body.

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"§ 1798. Definitions

"In this subchapter:

"(1) The term 'military child development center' means a facility on a military installation (or on property under the jurisdiction of the commander of a military installation) at which child care services are provided for members of the armed forces or any other facility at which such child care services are provided that is operated by the Secretary of a military department.

"(2) The term 'family home day care' means home-based child care services that are provided for members of the armed forces by an individual who (A) is certified by the Secretary of the military department concerned as qualified to provide those services, and (B) provides those services on a regular basis for compensation.

"(3) The term 'child care employee' means a civilian employee of the Department of Defense who is employed to work in a military child development center (regardless of whether the employee is paid from appropriated funds or nonappropriated funds).

"(4) The term 'child care fee receipts' means those nonappropriated funds that are derived from fees paid by members of the armed forces for child care services provided at military child development centers.".

(2) 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 by inserting after the item relating to chapter 87 the following new item:

"88. Military Family Programs and Military Child Care ..... 1781".

(b) REPORT ON FIVE-YEAR DEMAND FOR CHILD CARE.—(1) Not later than the date of the submission of the budget for fiscal year 1997 pursuant to section 1105 of title 31, United States Code, the Secretary of Defense shall submit to Congress a report on the expected demand for child care by military and civilian personnel of the Department of Defense during fiscal years 1997 through 2001.

(2) The report shall include—

(A) a plan for meeting the expected child care demand identified in the report; and

(B) an estimate of the cost of implementing that plan.

(3) The report shall also include a description of methods for monitoring family home day care programs of the military departments.

(c) PLAN FOR IMPLEMENTATION OF ACCREDITATION REQUIREMENT.—The Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a plan for carrying out the requirements of section 1787 of title 10, United States Code, as added by subsection (a). The plan shall be submitted not later than April 1, 1997.

(d) CONTINUATION OF DELEGATION OF AUTHORITY WITH RESPECT TO HIRING PREFERENCE FOR QUALIFIED MILITARY SPOUSES.—The provisions of Executive Order No. 12568, issued October 2, 1986 (10 U.S.C. 113 note), shall apply as if the reference in that Executive order to section 806(a)(2) of the Department of Defense Authorization Act of 1986 refers to section 1784 of title 10, United States Code, as added by subsection (a).

(e) CONFORMING AMENDMENT.—Effective October 1, 1995, section 1782(c) of title 10, United States Code, as added by subsection (a), is amended by striking out "section 3502(4)(A) of title 44" and inserting in lieu thereof "section 3502(3)(A)(i) of title 44".

(f) REPEALER.—The following provisions of law are repealed:

(1) The Military Family Act of 1985 (title VIII of Public Law 99–145; 10 U.S.C. 113 note).

(2) The Military Child Care Act of 1989 (title XV of Public Law 101–189; 10 U.S.C. 113 note).

SEC. 561. DISCHARGE OF MEMBERS OF THE ARMED FORCES WHO HAVE THE HIV-1 VIRUS.

(a) IN GENERAL.—(1) Section 1177 of title 10, United States Code, is amended to read as follows:

"§ 1177. Members infected with HIV-1 virus: mandatory discharge or retirement

"(a) MANDATORY SEPARATION.—A member of the armed forces who is HIV-positive shall be separated. Such separation shall be made on a date determined by the Secretary concerned, which shall be as soon as practicable after the date on which the determination is made that the member is HIV-positive and not later than the last day of the sixth month beginning after such date.

"(b) FORM OF SEPARATION.—If a member to be separated under this section is eligible to retire under any provision of law or to be transferred to the Fleet Reserve or Fleet Marine Corps Reserve, the member shall be so retired or so transferred. Otherwise, the member shall be discharged. The characterization of the service of the member shall be determined without regard to the determination that the member is HIV-positive.

"(c) DEFERRAL OF SEPARATION FOR MEMBERS IN 18-YEAR RETIREMENT SANCTUARY.—In the case of a member to be discharged under this section who on the date on which the member is to be discharged is within two years of qualifying for retirement under any provision of law, or of qualifying for transfer to the Fleet Reserve or Fleet Marine Corps Reserve under section 6330 of this title, the member may, as determined by the Secretary concerned, be retained on active duty until the member is qualified for retirement or transfer to the Fleet Reserve or Fleet Marine Corps Reserve, as the case may be, and then be so retired or transferred, unless the member is sooner retired or discharged under any other provision of law.

"(d) SEPARATION TO BE CONSIDERED INVOLUNTARY.—A separation under this section shall be considered to be an involuntary separation for purposes of any other provision of law.

"(e) COUNSELING ABOUT AVAILABLE MEDICAL CARE.—A member to be separated under this section shall be provided information, in writing, before such separation of the available medical care (through the Department of Veterans Affairs and otherwise) to treat the member's condition. Such information shall include identification of specific medical locations near the member's home of record or point of discharge at which the member may seek necessary medical care.

"(f) HIV-POSITIVE MEMBERS.—A member shall be considered to be HIV-positive for purposes of this section if there is serologic evidence that the member is infected with the virus known as Human Immunodeficiency Virus-1 (HIV-1), the virus most commonly associated with the acquired immune deficiency syndrome (AIDS) in the United States. Such serologic evidence shall be considered to exist if there is a reactive result given by an enzyme-linked immunosorbent assay (ELISA) serologic test that is confirmed by a reactive and diagnostic immunoelectrophoresis test (Western blot) on two separate samples. Any such serologic test must be one that is approved by the Food and Drug Administration.".

(2) The item relating to such section in the table of sections at the beginning of chapter 59 of such title is amended to read as follows:

"1177. Members infected with HIV-1 virus: mandatory discharge or retirement.".

(b) EFFECTIVE DATE.—Section 1177 of title 10, United States Code, as amended by subsection (a), applies with respect to members of the Armed Forces determined to be HIV-positive before, on, or after the date of the enactment of this Act. In the case of a member of the Armed Forces determined to be HIV-positive before such date, the deadline for separation of the member under subsection (a) of such section, as so amended, shall be determined from the date of the enactment of this Act (rather than from the date of such determination).

AMENDMENT NO. 2224

At the appropriate place add the following:

SEC. . ROTC ACCESS TO CAMPUSES.

(a) IN GENERAL.—Chapter 49, of title 10, United States Code, is amended by adding at the end the following new section:

"§ 983. Institutions of higher education that prohibit Senior ROTC units: denial of Department of Defense grants and contracts

"(a) DENIAL OF DEPARTMENT OF DEFENSE GRANTS AND CONTRACTS.—(1) No funds appropriated or otherwise available to the Department of Defense may be made obligated by contract or by grant (including a grant of funds to be available for student aid) to any institution of higher education that, as determined by the Secretary of Defense, has an anti-ROTC policy and at which, as determined by the Secretary would otherwise maintain or seek to establish a unit of the Senior Reserve Officer Training Corps or at which the Secretary would otherwise enroll or seek to enroll students for participation in a unit of the Senior Reserve Officer Training Corps at another nearby institution of higher education.

"(2) In the case of an institution of higher education that is ineligible for Department of Defense grants and contracts by reason of paragraph (1), the prohibition under that paragraph shall cease to apply to that institution upon a determination by the Secretary that the institution no longer has an anti-ROTC policy.

"(b) NOTICE OF DETERMINATION.—Whenever the Secretary makes a determination under subsection (a) that an institution has an anti-ROTC policy, or that an institution previously determined to have an anti-ROTC policy no longer has such a policy, the Secretary—

"(1) shall transmit notice of that determination to the Secretary of Education and to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives; and

"(2) shall publish in the Federal Register notice of that determination and of the effect of that determination under subsection (a)(1) on the eligibility of that institution for Department of Defense grants and contracts.

"(c) SEMIANNUAL NOTICE IN FEDERAL REGISTER.—The Secretary shall publish in the Federal Register once every six months a list of each institution of higher education that is currently ineligible for Department of Defense grants and contracts by reason of a determination of the Secretary under subsection (a).

"(d) ANTI-ROTC POLICY.—In this section, the term 'anti-ROTC policy' means a policy or practice of an institution of higher education that—

"(1) prohibits, or in effect prevents, the Secretary of Defense from maintaining or establishing a unit of the Senior Reserve Officer Training Corps at that institution, or

"(2) prohibits, or in effect prevents, a student at the institution from enrolling in a unit of the Senior Reserve Officer Training Corps at another institution of higher education.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"983. Institutions of higher education that prohibit Senior ROTC units: denial of Department of Defense grants and contracts."

AMENDMENT NO. 2225

At the appropriate place add the following:

( ) PROVISION GIVING PERMANENT STATUS TO EXECUTIVE ORDER RELATING TO NAVAL NUCLEAR PROPULSION PROGRAM.—Section 1634 of the Department of Defense Authorization, 1985 (Public Law 98-525; 98 Stat. 2649; 42 U.S.C. 7158 note), repealed.

AMENDMENT NO. 2226

At the appropriate place add the following:

SEC. . REPORT ON IMPROVED ACCESS TO MILITARY HEALTH CARE FOR COVERED BENEFICIARIES ENTITLED TO MEDICARE.

Not later than March 1, 1996, the Secretary of Defense shall submit to Congress a report evaluating the feasibility, costs, and consequences for the military health care system of improving access to the system for covered beneficiaries under chapter 55 of title 10, United States Code, who have limited access to military medical treatment facilities and are ineligible for the Civilian Health and Medical Program of the Uniformed Services under section 1086(d)(1) of such title. The alternatives the Secretary shall consider to improve access for such covered beneficiaries shall include—

(1) whether CHAMPUS should serve as a second payer for covered beneficiaries who are entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.); and

(2) whether such covered beneficiaries should be offered enrollment in the Federal Employees Health Benefits Program under chapter 89 of title 5. United States Code.

THE TREASURY-POSTAL SERVICE APPROPRIATIONS ACT

MIKULSKI AMENDMENT NO. 2227

Ms. MIKULSKI proposed an amendment to the bill H.R. 2020, supra, as follows:

At the end of the amendment add the following:

Notwithstanding the provisions of the preceding two sections, No funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverage for abortions.

The provision of section shall not apply where the life of the mother would be endangered if the fetus were carried to term, or that the pregnancy is the result of an act of rape or incest, or where the abortion is determined to be medically necessary.

FEINGOLD (AND OTHERS) AMENDMENT NO. 2228

Mr. FEINGOLD (for himself, Mr. MCCAIN, Mr. SANTORUM, and Mr. GRAMS) proposed an amendment to the bill H.R. 2020, supra, as follows:

On page 93, below line 13, insert the following:

"(c)(1) None of the funds appropriated by this or any other Act may be obligated or expended by any Federal department, agency, or other instrumentality to employ, on or after January 1, 1996 in excess of a total of 2000 employees in the executive branch who are (i) employed in a position on the executive schedule under sections 5312 through 5316 of title 5, United States Code, (ii) a limited term appointee, limited emergency appointee, or noncareer appointee in the senior executive service as defined under section 3132 (a) (5), (6), and (7) of title 5, United States Code, respectively, or (iii) employed in a position in the executive branch of the Government of a confidential or policy-determining character under schedule C of subpart C of past 213 of title 5 of the Code of Federal Regulations.

(2) Notwithstanding the provisions of subsection (c)(1) of this section, any actions required by such section shall be consistent with reduction in force procedures established under section 3502 of title 5, United States Code."

D'AMATO (AND OTHERS) AMENDMENT NO. 2229

Mr. D'AMATO (for himself, Mr. DOLE, Mr. HOLLINGS, Mr. FAIRCLOTH, Mr. GRAMS, Mr. HELMS, Mr. MURKOWSKI, and Mr. DOMENICI) proposed an amendment to the bill H.R. 2020, supra, as follows:

At the appropriate place, insert the following new section:

Sec. . LIMITATION ON USE OF FUNDS FOR THE PROVISION OF CERTAIN FOREIGN ASSISTANCE.

(a) IN GENERAL.—Notwithstanding any other provision of law, none of the funds made available by this Act for the Department of the Treasury shall be available for any activity or for paying the salary of any Government employee where funding an activity or paying a salary to a Government employee would result in a decision, determination, rule, regulation, or policy that would permit the Secretary of the Treasury to make any loan or extension of credit under section 5302 of title 31, United States Code, with respect to a single foreign entity or government of a foreign country (including agencies or other entities of that government)—

(1) unless the President first certifies to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking and Financial Services of the House of Representatives that—

(A) there is no projected cost (as that term is defined in section 502 of the Federal Credit Reform Act of 1990) to the United States from the proposed loan or extension of credit; and

(B) any proposed obligation or expenditure of United States funds to or on behalf of the foreign government is adequately backed by an assured source of repayment to ensure that all United States funds will be repaid; and

(2) other than as provided by an Act of Congress, if that loan or extension of credit would result in expenditures and obligations, including contingent obligations, aggregating more than $1,000,000,000 with respect to that foreign country for more than 180 days during the 12 month period beginning on the date on which the first action is taken.

(b) WAIVER OF LIMITATIONS.—The President may exceed the dollar and time limitations in subsection (a)(2) if he certifies in writing to the Congress that a financial crisis in that foreign country poses a threat to vital United States economic interests or to the stability of the international financial system.

(c) EXPEDITED PROCEDURES FOR A RESOLUTION OF DISAPPROVAL.—A presidential certification pursuant to subsection (b) with respect to exceeding dollar or time limitations in subsection (a)(2) shall be considered as follows:

(1) REFERENCE TO COMMITTEES—All joint resolutions introduced in the Senate to disapprove the certification shall be referred to the Committee on Banking, Housing and Urban Affairs, and in the House of Representatives, to the appropriate committees.

(2) DISCHARGE OF COMMITTEES.—(A) If the committee of either House to which a resolution has been referred has not reported it at the end of 30 days after its introduction, it is in order to move either to discharge the committee from further consideration of the joint resolution or to discharge the committee from further consideration of any other resolution introduced with respect to the same matter, except no motion to discharge shall be in order after the committee has reported a joint resolution with respect to the same matter.

(B) A motion to discharge may be made only by an individual favoring the resolution, and is privileged in the Senate; and debate thereon shall be limited to not more than 1 hour, the time to be divided in the Senate equally between, and controlled by, the majority leader and the minority leader or their designees.

(3) FLOOR CONSIDERATION IN THE SENATE.—(A) A motion in the Senate to proceed to the consideration of a resolution shall be privileged.

(B) Debate in the Senate on a resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than 4 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(C) Debate in the Senate on any debatable motion or appeal in connection with a resolution shall be limited to not more than 20 minutes, to be equally divided between, and controlled by, the mover and the manager of the resolution, except that in the event the manager of the resolution is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(D) A motion in the Senate to further limit debate on a resolution, debatable motion, or appeal is not debatable. No amendment to, or motion to recommit, a resolution is in order in the Senate.

(4) In the case of a resolution, if prior to the passage by one House of a resolution of that House, that House receives a resolution with respect to the same matter from the other House, then—

(A) the procedure in that House shall be the same as if no resolution had been received from the other House; but

(B) the vote on final passage shall be on the resolution of the other House.

(5) For purposes of this subsection, the term "joint resolution" means only a joint resolution of the 2 Houses of Congress, the

matter after the resolving clause of which is as follows: "That the Congress disapproves the action of the President under section (b) of the Treasury and Post Office Appropriations Act for Fiscal Year 1996, notice of which was submitted to the Congress on .", with the first blank space being filled with the appropriate section, and the second blank space being filled with the appropriate date.

(d) APPLICABILITY.—This section—

(1) shall not apply to any action taken as part of the program of assistance to Mexico announced by the President on January 31, 1995; and

(2) shall remain in effect through fiscal year 1996.

KEMPTHORNE (AND OTHERS) AMENDMENT NO. 2230

Mr. KEMPTHORNE (for himself, Mr. GLENN, and Mr. DORGAN) proposed an amendment to the bill H.R. 2020, Supra, as follows:

On page 29, line 12, strike out "$55,907,000," and insert in lieu thereof "$55,573,000,".

On page 33, insert between lines 1 and 2 the following:

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SALARIES AND EXPENSES

For necessary expenses of the Advisory Commission on Intergovernmental Relations to carry out the provisions of title III of the Unfunded Mandates Reform Act of 1995 (Public Law 104-4), $334,000; Provided, that upon the completion of the Final Report required by such Title, no further federal funds shall be available for the Advisory Commission on Intergovernmental Relations.

THOMPSON (AND OTHERS) AMENDMENT NO. 2231

Mr. THOMPSON (for himself, Mr. DOMENICI, Mr. PRESSLER, Mrs. HUTCHISON, Mr. D'AMATO, Mr. ABRAHAM, Mr. DEWINE, Mr. ASHCROFT, Ms. SNOWE, Mr. MCCAIN, Mr. GRASSLEY, Mr. DOLE, Mr. THURMOND, Mr. INHOFE, Mr. SANTORUM, Mr. COHEN, Mr. THOMAS, Mr. EXON, and Mr. SPECTER) proposed an amendment to the bill H.R. 2020, supra, as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . Notwithstanding any other provision of law, no adjustment shall be made under section 601(a) of the Legislative Reorganization Act of 1946 (2 U.S.C. 31) (relating to cost of living adjustments for Members of Congress) during fiscal year 1996.

SHELBY (AND KERREY) AMENDMENT NO. 2232

Mr. SHELBY (for himself and Mr. KERRY) proposed an amendment to the bill H.R. 2020, supra, as follows:

At the end of the Title V, add the following new section:

SEC. . Section 4 of the Presidential Protection Assistance Act of 1976, Public Law 94-524, is amended by striking "$75,000" and inserting in lieu thereof "$200,000".

STEVENS AMENDMENT NO. 2233

Mr. SHELBY (for Mr. STEVENS) proposed an amendment to the bill H.R. 2020, supra, as follows:

On page 104, insert between lines 19 and 20 the following new section:

SEC. 635. (a) Section 5402 of title 39, United States Code, is amended—

(1) in subsection (f) by striking out "During the period beginning January 1, 1995, and ending January 1, 1999, the" and inserting in lieu thereof "The"; and

(2) in subsection (g)(1) by amending subparagraph (D) to read as follows:

"(D) have provided scheduled service within the State of Alaska for at least 12 consecutive months with aircraft—

"(i) under 7,500 pounds payload before being selected as a carrier of nonpriority bypass mail at an applicable intra-Alaska bush service mail rate; and

"(ii) equal to or over 7,500 pounds before being selected as a carrier of nonpriority bypass mail a the intra-Alaska mainline service mail rate.".

(b)(1) Subject to paragraph (2), the amendment made by subsection (a) shall be effective on and after August 1, 1995.

(2) Subparagraph (D) of section 5402(g)(1) of title 39, United States Code (as in effect before the amendment made under subsection (a)) shall apply to a carrier, if such carrier—

(A) has an application pending before the Department of Transportation for approval under Section 41102 or 41110(e) of title 39, United States Code, before August 1, 1995; and

(B) would meet the requirements of such subparagraph if such application were approved and such certificate were purchased.

D'AMATO (AND MOYNIHAN) AMENDMENT NO. 2234

Mr. Shelby (for Mr. D'AMATO for himself and Mr. MOYNIHAN) proposed an amendment to the bill H.R. 2020, supra, as follows:

At the appropriate place in the bill, add the following new section:

SEC. . Notwithstanding any other provision of law, the United States Customs Service shall transfer, without consideration, to the National Warplane Museum in Geneseo, New York, 2 seized and forfeited A-37 Dragonfly jets for display and museum purposes.

FORD (McCONNELL) AMENDMENT NO. 2235

Mr. SHELBY (for Mr. FORD for himself and Mr. MCCONNELL) proposed an amendment to the bill H.R. 2020, supra, as follows:

Add the following new Section to Title V:

SEC. . No part of any appropriation made available in this Act shall be used to implement Bureau of Alcohol, Tobacco and Firearms Ruling TD ATF-360; Re: Notice Nos. 782, 780, 91F009P.

PRYOR AMENDMENT NO. 2236

Mr. SHELBY (for Mr. PRYOR) proposed an amendment to the bill H.R. 2020, supra, as follows:

On page 15, line 5, strike out all after "research" through line 9 and insert in lieu threof a period.

SIMPSON (AND CRAIG) AMENDMENT NO. 2237

Mr. SHELBY (for Mr. SIMPSON for himself and Mr. CRAIG) proposed an amendment to the bill H.R. 2020, supra, as follows:

At the appropriate place, insert the following:

SEC. ___. EXEMPT ORGANIZATIONS.

(a) IN GENERAL.—An organization described in section 501(c)(4) of the Internal Revenue Code of 1986 which engages in lobbying activities shall not be eligible for the receipt of Federal funds constituting an award, grant, or loan.

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

(1) AGENCY.—The term "agency" has the meaning given that term in section 551(1) of title 5, United States Code.

(2) CLIENT.—The term "client" means any person or entity that employs or retains another person for financial or other compensation to conduct lobbying activities on behalf of that person or entity. A person or entity whose employees act as lobbyists on its own behalf is both a client and an employer of such employees. In the case of a coalition or association that employs or retains other persons to conduct lobbying activities, the client is the coalition or association and not its individual members.

(3) COVERED EXECUTIVE BRANCH OFFICIAL.—The term "covered executive branch official" means—

(A) the President;

(B) the Vice President;

(C) any officer or employee, or any other individual functioning in the capacity of such an officer or employee, in the Executive Office of the President;

(D) any officer or employee serving in a position in level I, II, III, IV, or V of the Executive Schedule, as designated by statute or Executive order;

(E) any member of the uniformed services whose pay grade is at or above O-7 under section 201 of title 37, United States Code; and

(F) any officer or employee serving in a position of a confidential, policy-determining, policy-making, or policy-advocating character described in section 7511(b)(2) of title 5, United States Code.

(4) COVERED LEGISLATIVE BRANCH OFFICIAL.—The term "covered legislative branch official" means—

(A) a Member of Congress;

(B) an elected officer of either House of Congress;

(C) any employee of, or any other individual functioning in the capacity of an employee of—

(i) a Member of Congress;

(ii) a committee of either House of Congress;

(iii) the leadership staff of the House of Representatives or the leadership staff of the Senate;

(iv) a joint committee of Congress; and

(v) a working group or caucus organized to provide legislative services or other assistance to Members of Congress; and

(D) any other legislative branch employee serving in a position described under section 109(13) of the Ethics in Government Act of 1978 (5 U.S.C. App.).

(5) EMPLOYEE.—The term "employee" means any individual who is an officer, employee, partner, director, or proprietor of a person or entity, but does not include—

(A) independent contractors; or

(B) volunteers who receive no financial or other compensation from the person or entity for their services.

(6) FOREIGN ENTITY.—The term "foreign entity" means a foreign principal (as defined in section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)).

(7) LOBBYING ACTIVITIES.—The term "lobbying activities" means lobbying contacts and

efforts in support of such contacts, including preparation and planning activities, research and other background work that is intended, at the time it is performed, for use in contacts, and coordination with the lobbying activities of others.

(8) LOBBYING CONTACT.—

(A) DEFINITION.—The term "lobbying contact" means any oral or written communication (including an electronic communication) to a covered executive branch official or a covered legislative branch official that is made on behalf of a client with regard to—

(i) the formulation, modification, or adoption of Federal legislation (including legislative proposals);

(ii) the formulation, modification, or adoption of a Federal rule, regulation, Executive order, or any other program, policy, or position of the United States Government;

(iii) the administration or execution of a Federal program or policy (including the negotiation, award, or administration of a Federal contract, grant, loan, permit, or license); or

(iv) the nomination or confirmation of a person for a position subject to confirmation by the Senate.

(B) EXCEPTIONS.—The term "lobbying contact" does not include a communication that is—

(i) made by a public official acting in the public official's official capacity;

(ii) made by a representative of a media organization if the purpose of the communication is gathering and disseminating news and information to the public;

(iii) made in a speech, article, publication or other material that is distributed and made available to the public, or through radio, television, cable television, or other medium of mass communication;

(iv) made on behalf of a government of a foreign country or a foreign political party and disclosed under the Foreign Agents Registration Act of 1938 (22 U.S.C. 611 et seq.);

(v) a request for a meeting, a request for the status of an action, or any other similar administrative request, if the request does not include an attempt to influence a covered executive branch official or a covered legislative branch official;

(vi) made in the course of participation in an advisory committee subject to the Federal Advisory Committee Act;

(vii) testimony given before a committee, subcommittee, or task force of the Congress, or submitted for inclusion in the public record of a hearing conducted by such committee, subcommittee, or task force;

(viii) information provided in writing in response to an oral or written request by a covered executive branch official or a covered legislative branch official for specific information;

(ix) required by subpoena, civil investigative demand, or otherwise compelled by statute, regulation, or other action of the Congress or an agency;

(x) made in response to a notice in the Federal Register, Commerce Business Daily, or other similar publication soliciting communications from the public and directed to the agency official specifically designated in the notice to receive such communications;

(xi) not possible to report without disclosing information, the unauthorized disclosure of which is prohibited by law;

(xii) made to an official in an agency with regard to—

(I) a judicial proceeding or a criminal or civil law enforcement inquiry, investigation, or proceeding; or

(II) a filing or proceeding that the Government is specifically required by statute or regulation to maintain or conduct on a confidential basis,

if that agency is charged with responsibility for such proceeding, inquiry, investigation, or filing;

(xiii) made in compliance with written agency procedures regarding an adjudication conducted by the agency under section 554 of title 5, United States Code, or substantially similar provisions;

(xiv) a written comment filed in the course of a public proceeding or any other communication that is made on the record in a public proceeding;

(xv) a petition for agency action made in writing and required to be a matter of public record pursuant to established agency procedures;

(xvi) made on behalf of an individual with regard to that individual's benefits, employment, or other personal matters involving only that individual, except that this clause does not apply to any communication with—

(I) a covered executive branch official, or

(II) a covered legislative branch official (other than the individual's elected Members of Congress or employees who work under such Members' direct supervision),

with respect to the formulation, modification, or adoption of private legislation for the relief of that individual;

(xvii) a disclosure by an individual that is protected under the amendments made by the Whistleblower Protection Act of 1989, under the Inspector General Act of 1978, or under another provision of law;

(xviii) made by—

(I) a church, its integrated auxiliary, or a convention or association of churches that is exempt from filing a Federal income tax return under paragraph 2(A)(i) of section 6033(a) of the Internal Revenue Code of 1986, or

(II) a religious order that is exempt from filing a Federal income tax return under paragraph (2)(A)(iii) of such section 6033(a); and

(xix) between—

(I) officials of a self-regulatory organization (as defined in section 3(a)(26) of the Securities Exchange Act) that is registered with or established by the Securities and Exchange Commission as required by that Act or a similar organization that is designated by or registered with the Commodities Future Trading Commission as provided under the Commodity Exchange Act; and

(II) the Securities and Exchange Commission or the Commodities Future Trading Commission, respectively;

relating to the regulatory responsibilities of such organization under that Act.

(9) LOBBYING FIRM.—The term "lobbying firm" means a person or entity that has 1 or more employees who are lobbyists on behalf of a client other than that person or entity. The term also includes a self-employed individual who is a lobbyist.

(10) LOBBYIST.—The term "lobbyist" means any individual who is employed or retained by a client for financial or other compensation for services that include more than one lobbying contact, other than an individual whose lobbying activities constitute less than 20 percent of the time engaged in the services provided by such individual to that client over a six month period.

(11) MEDIA ORGANIZATION.—The term "media organization" means a person or entity engaged in disseminating information to the general public through a newspaper, magazine, other publication, radio, television, cable television, or other medium of mass communication.

(12) MEMBER OF CONGRESS.—The term "Member of Congress" means a Senator or a Representative in, or Delegate or Resident Commissioner to, the Congress.

(13) ORGANIZATION.—The term "organization" means a person or entity other than an individual.

(14) PERSON OR ENTITY.—The term "person or entity" means any individual, corporation, company, foundation, association, labor organization, firm, partnership, society, joint stock company, group of organizations, or State or local government.

(15) PUBLIC OFFICIAL.—The term "public official" means any elected official, appointed official, or employee of—

(A) a Federal, State, or local unit of government in the United States other than—

(i) a college or university;

(ii) a government-sponsored enterprise (as defined in section 3(8) of the Congressional Budget and Impoundment Control Act of 1974);

(iii) a public utility that provides gas, electricity, water, or communications;

(iv) a guaranty agency (as defined in section 435(j) of the Higher Education Act of 1965 (20 U.S.C. 1085(j))), including any affiliate of such an agency; or

(v) an agency of any State functioning as a student loan secondary market pursuant to section 435(d)(1)(F) of the Higher Education Act of 1965 (20 U.S.C. 1085(d)(1)(F));

(B) a Government corporation (as defined in section 9101 of title 31, United States Code);

(C) an organization of State or local elected or appointed officials other than officials of an entity described in clause (i), (ii), (iii), (iv), or (v) of subparagraph (A);

(D) an Indian tribe (as defined in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e));

(E) a national or State political party or any organizational unit thereof; or

(F) a national, regional, or local unit of any foreign government.

(16) STATE.—The term "State" means each of the several States, the District of Columbia, and any commonwealth, territory, or possession of the United States.

(c) CONSTRUCTION AND EFFECT.—Nothing in this section shall be construed to affect the application of the Internal Revenue laws of the United States.

(d) EXCEPTIONS.—This section shall not apply to organizations described in section 501(c)(4) of the Internal Revenue Code with gross annual revenues of less than $10,000,000, including the amounts of Federal funds received as grants, awards, or loans.

(e) EFFECTIVE DATE.—This section shall become effective on January 1, 1997.

SHELBY (AND KERREY) AMENDMENT NO. 2238

Mr. SHELBY (for himself and Mr. KERREY) proposed an amendment to the bill H.R. 2020, supra; as follows:

SEC. . (a) Notwithstanding any other provision of law, of the funds made available to the Department of the Treasury by this or any other act for obligation at any time during the fiscal year ending September 30, 1995 or the fiscal year ending September 30, 1996, not to exceed $500,000 shall be available to the Secretary of the Treasury during the fiscal year ending September 30, 1996 to reimburse the District of Columbia Metropolitan Police Department for personnel costs incurred by the Metropolitan Police Department between May 19, 1995 and September 30, 1995 as a result of the closing to vehicular

traffic of Pennsylvania Avenue Northwest and other streets in vicinity of the White House.

(b) The amount of reimbursement shall be determined by the Secretary of the Treasury and shall be final and not subject to review in any forum.

BINGAMAN AMENDMENT NO. 2239

Mr. SHELBY (for Mr. BINGAMAN) proposed an amendment to the bill H.R. 2020, supra; as follows:

At the appropriate place in the bill add the following new section:

SEC. . (a) This section may be cited as the "Prohibition of Cigarette Sales to Minors in Federal Buildings and Lands Act".

(b) The Congress finds that—

(1) cigarette smoking and the use of smokeless tobacco products continue to represent major health hazards to the Nation, causing more than 420,000 deaths each year;

(2) cigarette smoking continues to be the single most preventable cause of death and disability in the United States;

(3) tobacco products contain hazardous additives, gases, and other chemical constituents dangerous to health;

(4) the use of tobacco products costs the United States more than $50,000,000,000 in direct health care costs, with more than $21,000,000,000 of these costs being paid by government funds;

(5) tobacco products contain nicotine, a poisonous, addictive drug;

(6) all States prohibit the sale of tobacco products to minors, but enforcement has been ineffective or nonexistent and tobacco products remain one of the least regulated consumer products in the United States;

(7) over the past decade, little or no progress has been made in reducing tobacco use among teenagers and recently, teenage smoking rates appear to be rising;

(8) more than two-thirds of smokers smoke their first cigarette before the age of 14, and 90 percent of adult smokers did so by age 18;

(9) 516,000,000 packs of cigarettes are consumed by minors annually, at least half of which are illegally sold to minors;

(10) reliable studies indicate that tobacco use is a gateway to illicit drug use; and

(11) the Federal Government has a major policy setting role in ensuring that the use of tobacco products among minors is discouraged to the maximum extent possible.

(c) As used in this section—

(1) the term "Federal agency" means—

(A) an Executive agency as defined in section 105 of title 5, United States Code; and

(B) each entity specified in subparagraphs (B) through (H) of section 5721(1) of title 5, United States Code;

(2) the term "Federal building" means—

(A) any building or other structure owned in whole or in part by the United States or any Federal agency, including any such structure occupied by a Federal agency under a lease agreement; and

(B) includes the real property on which such building is located;

(3) the term "minor" means an individual under the age of 18 years; and

(4) the term "tobacco product" means cigarettes, cigars, little cigars, pipe tobacco, smokeless tobacco, snuff, and chewing tobacco.

(d)(1) No later than 45 days after the date of the enactment of this Act, the Administrator of General Services and the head of each Federal agency shall promulgate regulations that prohibit—

(A) the sale of tobacco products in vending machines located in or around any Federal building under the jurisdiction of the Administrator or such agency head; and

(B) the distribution of free samples of tobacco products in or around any Federal building under the jurisdiction of the Administrator or such agency head.

(2) The Administrator of General Services or the head of an agency, as appropriate, may designate areas not subject to the provisions of paragraph (1), if such area also prohibits the presence of minors.

(3) The provisions of this subsection shall be carried out—

(A) by the Administrator of General Services for any Federal building which is maintained, leased, or has title of ownership vested in the General Services Administration; or

(B) by the head of a Federal agency for any Federal building which is maintained, leased, or has title of ownership vested in such agency.

(e) No later than 90 days after the date of enactment of this Act, the Administrator of General Services and each head of an agency shall prepare and submit, to the appropriate committees of Congress, a report that shall contain—

(1) verification that the Administrator or such head of an agency is in compliance with this section; and

(2) a detailed list of the location of all tobacco product vending machines located in Federal buildings under the administration of the Administrator or such head of an agency.

(f)(1) No later than 45 days after the date of the enactment of this Act, the Senate Committee on Rules and Administration and the House of Representatives Committee on House Administration, after consultation with the Architect of the Capitol, shall promulgate regulations under the Senate and House of Representatives rulemaking authority that prohibit the sale of tobacco products in vending machines in the Capitol Buildings.

(2) Such committees may designate areas where such prohibition shall not apply, if such area also prohibits the presence of minors.

(3) For the purpose of this section the term "Capitol Buildings" shall have the same meaning as such term is defined under section 16(a)(1) of the Act entitled "An Act to define the area of the United States Capitol Grounds, to regulate the use thereof, and for other purposes", approved July 31, 1946 (40 U.S.C. 193m(1)).

(g) Nothing in this section shall be construed as restricting the authority of the Administrator of General Services or the head of an agency to limit tobacco product use in or around any Federal building, except as provided under subsection (d)(1).

BROWN AMENDMENT NO. 2240

Mr. SHELBY (for Mr. BROWN) proposed an amendment to the bill H.R. 2020, supra; as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . It is the sense of the Senate that the General Services Administration should increase use of direct delivery for high-dollar value supplies and only stock items that are profitable, that after these changes are implemented, the General Services Administration should phase out the supply depots that are no longer economically justifiable or needed.

SHELBY (AND KERREY) AMENDMENTS NOS. 2241–2242

Mr. SHELBY (for himself and Mr. KERREY) proposed two amendments to the bill H.R. 2020, supra; as follows:

AMENDMENT NO. 2241

At the appropriate place, insert the following new section:

SEC. . NATIONAL COMMISSION ON RESTRUCTURING THE INTERNAL REVENUE SERVICE.

(a) FINDINGS.—The Congress finds the following:

(1) While the budget for the Internal Revenue Service (hereafter referred to as the "IRS") has risen from $2.5 billion in fiscal year 1979 to $7.5 billion in fiscal year 1996, tax returns processing has not become significantly faster, tax collection rates have not significantly increased, and the accuracy and timeliness of taxpayer assistance has not significantly improved.

(2) To date, the Tax Systems Modernization (TSM) program has cost the taxpayers $2.5 billion, with an estimated cost of $8 billion. Despite this investment, modernization efforts were recently described by the GAO as "chaotic" and "ad hoc".

(3) While the IRS maintains that TSM will increase efficiency and thus revenues, Congress has had to appropriate additional funds in recent years for compliance initiatives in order to increase tax revenues.

(4) Because TSM has not been implemented, the IRS continues to rely on paper returns, processing a total of 14 billion pieces of paper every tax season. This results in an extremely inefficient system.

(5) This lack of efficiency reduces the level of customer service and impedes the ability of the IRS to collect revenue.

(6) The present status of the IRS shows the need for the establishment of a Commission which will examine the organization of IRS and recommend actions to expedite the implementation of TSM and improve service to taxpayers.

(b) COMPOSITION OF THE COMMISSION.—

(1) ESTABLISHMENT.—To carry out the purposes of this section, there is established a National Commission on Restructuring the Internal Revenue Service (in this section referred to as the "Commission").

(2) COMPOSITION.—The Commission shall be composed of twelve members, as follows:

(A) Four members appointed by the President, two from the executive branch of the Government and two from private life.

(B) Two members appointed by the Majority Leader of the Senate, one from Members of the Senate and one from private life.

(C) Two members appointed by the Minority Leader of the Senate, one from Members of the Senate and one from private life.

(D) Two members appointed by the Speaker of the House of Representatives, one from Members of the House of Representatives and one from private life.

(E) Two members appointed by the Minority Leader of the House of Representatives, one from Members of the House of Representatives and one from private life.

The Commissioner of the Internal Revenue Service shall be an ex officio member of the Commission.

(3) CHAIRMAN.—The Commission shall elect a Chairman from among its members.

(4) MEETING; QUORUM; VACANCIES.—After its initial meeting, the Commission shall meet upon the call of the Chairman or a majority of its members. Seven members of the Commission shall constitute a quorum. Any vacancy in the Commission shall not affect its

powers, but shall be filled in the same manner in which the original appointment was made.

(5) APPOINTMENT; INITIAL MEETING.—

(A) APPOINTMENT.—It is the sense of the Congress that members of the Committee should be appointed not more than 60 days after the date of the enactment of this section.

(B) INITIAL MEETING.—If, after 60 days from the date of the enactment of this section, seven or more members of the Commission have been appointed, members who have been appointed may meet and select a Chairman who thereafter shall have the authority to begin the operations of the Commission, including the hiring of staff.

(c) FUNCTIONS OF COMMISSION.—

(1) IN GENERAL.—The functions of the Commission shall be—

(A) to conduct, for a period of one year from the date of its first meeting, the review described in paragraph (2), and

(B) to submit to the Congress a final report of the results of the review, including recommendations for restructuring the IRS.

(2) REVIEW.—The Commission shall review—

(A) the present practices of the IRS, especially with respect to—

(i) its organizational structure;

(ii) its paper processing and return processing activities;

(iii) its infrastructure; and

(iv) the collection process;

(B) requirements for improvement in the following areas:

(i) making returns processing "paperless";

(ii) modernizing IRS operations;

(iii) improving the collections process without major personnel increases or increased funding;

(iv) improving taxpayer accounts management;

(v) improving the accuracy of information requested by taxpayers in order to file their returns; and

(vi) changing the culture of the IRS to make the organization more efficient, productive, and customer-oriented;

(C) whether the IRS could be replaced with a quasi-governmental agency with tangible incentives for internally managing its programs and activities and for modernizing its activities, and

(D) whether the IRS could perform other collection, information, and financial service functions of the Federal Government.

(d) POWERS OF THE COMMISSION.—

(1) IN GENERAL.—(A) The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this section—

(i) hold such hearings and sit and act at such times and places, take such testimony, receive such evidence, administer such oaths, and

(ii) require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents,

as the Commission or such designated subcommittee or designated member may deem advisable.

(B) Subpoenas issued under subparagraph (A)(ii) may be issued under the signature of the Chairman of the Commission, the chairman of any designated subcommittee, or any designated member, and may be served by any person designated by such Chairman, subcommittee chairman, or member. The provisions of sections 102 through 104 of the Revised Statutes of the United States (2 U.S.C. 192–194) shall apply in the case of any failure of any witness to comply with any subpoena or to testify when summoned under authority of this section.

(2) CONTRACTING.—The Commission may, to such extent and in such amounts as are provided in appropriation Acts, enter into contracts to enable the Commission to discharge its duties under this section.

(3) INFORMATION FROM FEDERAL AGENCIES.—The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality of the Government information, suggestions, estimates, and statistics for the purposes of this section. Each such department, bureau, agency, board, commission, office, establishment, or instrumentality shall, to the extent authorized by law, furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman.

(4) ASSISTANCE FROM FEDERAL AGENCIES.—(A) The Secretary of State is authorized on a reimbursable or nonreimbursable basis to provided the Commission with administrative services, funds, facilities, staff, and other support services for the performance of the Commission's functions.

(B) The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

(C) In addition to the assistance set forth in subparagraphs (A) and (B), departments and agencies of the United States are authorized to provide to the Commission such services, funds, facilities, staff, and other support services as they may deem advisable and as may be authorized by law.

(5) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as departments and agencies of the United States.

(e) STAFF OF THE COMMISSION.—

(1) IN GENERAL.—The Chairman, in accordance with rules agreed upon by the Commission, may appoint and fix the compensation of a staff director and such other personnel as may be necessary to enable the Commission to carry out its functions, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no rate of pay fixed under this subsection may exceed the equivalent of that payable to a person occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code. Any Federal Government employee may be detailed to the Commission without reimbursement from the Commission, and such detailee shall retain the rights, status, and privileges of his or her regular employment without interruption.

(2) CONSULTANT SERVICES.—The Commission is authorized to procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code, but at rates not to exceed the daily rate paid a person occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(f) COMPENSATION AND TRAVEL EXPENSES.—

(1) COMPENSATION.—(A) Except as provided in subparagraph (B), each member of the Commission may be compensated at not to exceed the daily equivalent of the annual rate of basic pay in effect for a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day during which that member is engaged in the actual performance of the duties of the Commission.

(B) Members of the Commission who are officers or employees of the United States or Members of Congress shall receive no additional pay on account of their service on the Commission.

(2) TRAVEL EXPENSES.—While away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5, United States Code.

(g) FINAL REPORT OF COMMISSION; TERMINATION.—

(1) FINAL REPORT.—Not later than one year after the date of the first meeting of the Commission, the Commission shall submit to the Congress its final report, as described in subsection (c)(2).

(2) TERMINATION.—(A) The Commission, and all the authorities of this section, shall terminate on the date which is 60 days after the date on which a final report is required to be transmitted under paragraph (1).

(B) The Commission may use the 60-day period referred to in subparagraph (A) for the purpose of concluding its activities, including providing testimony to committees of Congress concerning its final report and disseminating that report.

AMENDMENT NO. 2242

At the end of Title V, add the following new section:

SEC. . Section 5542 of title 5, United States Code is amended by adding the following new subsection at the end:

(e) Notwithstanding subsection (d)(1) of this section, all hours of overtime work scheduled in advance of the administrative workweek shall be compensated under subsection (a) if that work involves duties as authorized by section 3056(a) of title 18 United States Code and if the investigator performs, on that same day, at least 2 hours of overtime work not scheduled in advance of the administrative workweek.

HUTCHISON AMENDMENT NO. 2243

Mr. SHELBY (for Mrs. HUTCHISON) proposed an amendment to the bill H.R. 2020, supra; as follows:

Insert at the appropriate place:

SEC. . REPORT ON FEASIBILITY OF LEASING OF BORDER STATIONS.

(a) The Administrator of the General Services Administration shall, within six months of enactment of this legislation, report to Congress on the feasibility of leasing agreements with State and local governments and private sponsors for the construction of border stations on the borders of the United States with Canada and Mexico whereby:

(1) lease payments shall not exceed 30 years for payment of the purchase price and interest;

(2) the obligation of the United States under such an agreement shall be limited to the current fiscal year for which payments are due without regard to section 3328(a)(1)(B) of title 31, United States Code;

(3) an agreement entered into under such provisions shall provide for the title to the property and facilities to vest in the United States on or before the expiration of the contract term, on fulfillment of the terms and conditions of the agreement.

BINGAMAN AMENDMENT NO. 2244

Mr. SHELBY (for Mr. BINGAMAN) proposed an amendment to the bill H.R. 2020, supra; as follows:

At the appropriate place, insert the following:

SEC. . ENERGY SAVINGS AT FEDERAL FACILITIES.

(a) REDUCTION IN FACILITIES ENERGY COSTS.—

(1) IN GENERAL.—The head of each agency for which funds are made available under this Act shall take all actions necessary to achieve during fiscal year 1996 a 5 percent reduction, from fiscal year 1995 levels, in the energy costs of the facilities used by the agency.

(2) COOPERATION BY GENERAL SERVICES ADMINISTRATION.—In the case of facilities under the administrative jurisdiction of the General Services Administration and occupied by another agency and for which the Administrator of General Services delegates operation and maintenance to the head of the agency, the Administrator shall assist the head of the agency in achieving the reduction in the energy costs of the facilities required by paragraph (1) by entering into contracts to promote energy savings and by other means.

(b) USE OF COST SAVINGS.—An amount equal to the amount of cost savings realized by an agency under subsection (a) shall remain available for obligation through the end of fiscal year 1997, without further authorization or appropriation, as follows:

(1) CONSERVATION MEASURES.—Fifty percent of the amount shall remain available for the implementation of additional energy conservation measures and for water conservation measures at such facilities used by the agency as are designated by the head of the agency.

(2) OTHER PURPOSES.—Fifty percent of the amount shall remain available for use by the agency for such purposes as are designated by the head of the agency, consistent with applicable law.

(c) REPORT.—

(1) IN GENERAL.—Not later than December 31, 1996, the head of each agency described in subsection (a) shall submit a report to Congress specifying the results of the actions taken under subsection (a) and providing any recommendations concerning how to further reduce energy costs and energy consumption in the future.

(2) CONTENTS.—Each report shall—

(A) specify the total energy costs of the facilities used by the agency;

(B) identify the reductions achieved; and

(C) specify the actions that resulted in the reductions.

HATCH (AND BIDEN) AMENDMENT NO. 2245

Mr. SHELBY (for Mr. HATCH, for himself and Mr. BIDEN) proposed an amendment to the bill H.R. 2020, supra; as follows:

On page 3, strike lines 1 through 24.

On page 31, between lines 20 and 21, insert the following:

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

For necessary expenses of the Office of National Drug Control Policy; for research activities pursuant to title I of Public Law 100-690; not to exceed $8,000 for official reception and representation expenses; *$28,500,000*, of which $20,500,000, to remain available until expended, shall be available to the Counter-Drug Technology Assessment Center for counternarcotics research and development projects and shall be available for transfer to other Federal departments or agencies: *Provided*, That the Office is authorized to accept, hold, administer, and utilize gifts, both real and personal, for the purpose of aiding or facilitating the work of the Office: *Provided further*, That not later than 60 days after the date of enactment of this Act, the Director of the Office of National Drug Control Policy shall report to the Committees on the Judiciary of the Senate and the House of Representatives on the results of an independent audit of the security and travel expenses of the Office during the period beginning on January 21, 1993, and ending on June 30, 1995: *Provided further*, That the Director of the Office of National Drug Control Policy shall, at the direction of the President, convene a Cabinet Council on Drug Strategy Implementation to be chaired by the Director of the National Drug Control Policy: *Provided further*, That the Cabinet Council on Drug Strategy Implementation shall include, but is not limited to, the Attorney General, the Secretary of the Department of the Treasury, the Secretary of the Department of Health and Human Services, the Secretary of the Department of Defense, the Secretary of the Department of Housing and Urban Development, the Secretary of the Department of Education, the Secretary of the Department of State, and the Secretary of the Department of Transportation: *Provided further*, That the Cabinet Council on Drug Strategy Implementation shall convene on no less than a quarterly basis and provide reports on no less than a quarterly basis to the Appropriations Committees and the Judiciary Committees of the House of Representatives and the Senate on the progress of the implementation of the elements of the national drug control strategy within the jurisdiction of each member of the Counsel, including a particular emphasis on the implementation of strategies to combat drug abuse among children: *Provided further*, That the Director of the Office of National Drug Control Policy shall convene a bipartisan conference composed of private sector representatives from the following: Business leadership, educational and health care professionals, Federal, State, and local law enforcement, the judicial community, drug treatment and intervention professionals, the media and parents groups. Reporting requirements as set forth in the preceding proviso shall also apply to this provision: *Provided further*, That the funds appropriated for the necessary expenses of the Office of National Drug Control Policy may not be obligated until the President reports to the Appropriations Committees of the House of Representatives and the Senate that the President has directed the Office of National Drug Control Policy to convene the Cabinet Council on Drug Strategy Implementation: *Provided further*, That, on a quarterly basis beginning ninety days after enactment of this Act, the funds appropriated for the necessary expenses of the Office of National Drug Control Policy may not be obligated unless the Cabinet Council on Drug Strategy Implementation has provided the quarterly reports specified herein to the Appropriations Committees and the Judiciary Committees of the House of Representatives and the Senate.

On page 32, between lines 23 and 24, insert the following:

FEDERAL DRUG CONTROL PROGRAMS

HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM

For necessary expenses of the Office of National Drug Control Policy's High Intensity Drug Trafficking Areas Program, $110,000,000 for drug control activities consistent with the approved strategy for each of the designated High Intensity Drug Trafficking Areas, of which no less than $55,000,000 shall be transferred to State and local entities for drug control activities; and of which up to $55,000,000 may be transferred to federal agencies and departments at a rate to be determined by the Director: *Provided*, That the funds made available under this head shall be obligated within 90 days of the date of enactment of this Act.

On page 50, line 14, strike "$118,449,000" and insert "$113,527,000".

On page 57, line 9, strike "$96,384,000" and insert "$93,106,000".

COVERDELL AMENDMENT NO. 2246

Mr. SHELBY (for Mr. COVERDELL) proposed an amendment to the bill H.R. 2020, supra; as follows:

On page 2, line 21, strike "$105,929,000" and insert $110,929,000, of which $5,000,000 shall be transferred to States covered by the National Voter Registration Act of 1993, to be expended by such States for costs associated with the implementation of the National Voter Registration Act of 1993, with such funds disbursed to such States on the basis of the Number of registered voters in each State on July 1, 1995, in relation to the number of registered voters in all States on such date": *Provided*, That no further funds in addition to the $5,000,000 so transferred, may be transferred by the Secretary to the States for costs associated with the implementation of the National Voter Registration Act of 1993, during Fiscal Year 1996.

On page 46, line 12, strike "$2,329,000,000" and insert "$2,324,000,000".

BROWN (AND KERREY) AMENDMENT NO. 2247

Mr. SHELBY (for Mr. BROWN, for himself and Mr. KERREY) proposed an amendment to the bill H.R. 2020, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. . (a) Section 6304(f) of title 5, United States Code, is amended—

(1) in paragraph (2) by striking "described in paragraph (1)" and inserting "for an individual described subparagraphs (B) through (E) of paragraph (1)"; and

(2) by adding at the end the following:

"(3) For purposes of applying any limitation on accumulation under this section with respect to any annual leave for an individual described in paragraph (1)(A)—

"(A) '30 days' in subsection (a) shall be deemed to read '60 days'; and

"(B) '45 days' in subsection (b) shall be deemed to read '60 days'.".

(b)(1) The amendments made by subsection (a) shall take effect January 1, 1996.

(2) Any individual serving in a position in the Senior Executive Service on December 31, 1995 may retain any annual leave accrued as of that date until the leave is used by that individual.

LAUTENBERG AMENDMENT NO. 2248

Mr. SHELBY (for Mr. LAUTENBERG) proposed an amendment to the bill H.R. 2020, supra, as follows:

At the appropriate place, insert the following:

SEC. . TRANSFER OF CERTAIN FEDERAL PROPERTY IN NEW JERSEY.

The first section of the Act entitled "An Act transferring certain Federal property to the city of Hoboken, New Jersey", approved September 27, 1982 (Public Law 97-268; 96 Stat. 1140), is amended—

(1) in subsection (a), by adding "and" at the end; and

(2) by striking "Stat. 220), and" in subsection (b) and all that follows through "New Jersey; concurrent with" and inserting the following: "Stat. 220); concurrent with".

GRASSLEY (AND OTHERS) AMENDMENT NO. 2249

Mr. SHELBY (for Mr. GRASSLEY for himself, Mr. HEFLIN, Mr. ROTH, Mr. LEVIN, Mr. KOHL, Mr. THURMOND, and Mr. GLENN) proposed an amendment to the bill H.R. 2020, supra, as follows:

On page 33, insert between lines 1 and 2 the following:

ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

SALARIES AND EXPENSES

For necessary expenses of the Administrative Conference of the United States, established under subchapter V of chapter 5 of title 5, United States Code, including not to exceed $1,000 for official reception and representation expenses, $1,800,000.

On page 35, line 22, strike out "$5,087,819,000," and insert in lieu thereof "$5,086,019,000".

On page 46, line 12, strike out "$2,329,000,000," and insert in lieu thereof "$2,327,200,000".

On page 48, line 12, strike out "$5,087,819,000," and insert in lieu thereof "$5,086,019,000".

MIKULSKI AMENDMENT NO. 2250

Mr. SHELBY (for Ms. MIKULSKI) proposed an amendment to the bill H.R. 2020, supra, as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . Service performed during the period January 1, 1984, through December 31, 1986, which would, if performed after that period, be considered service as a law enforcement officer, as defined in section 8401(17)(A)(i)(II) and (B) of title 5, United States Code, shall be deemed service as a law enforcement officer for the purposes of chapter 84 of such title.

BROWN AMENDMENT NO. 2251

Mr. SHELBY (for Mr. BROWN) proposed an amendment to the bill H.R. 2020, supra, as follows:

At the appropriate place in the bill insert the following:

It is the Sense of the Senate that:

The General Service Administration and the Federal Aviation Administration should review and reform current personnel rules and labor agreements regarding federal assistance when relocating because of a change of duty station.

The Senate is concerned about reports that, under FAA and GSA rules, employees at the Denver, Colorado ATCT and TRACON were permitted to claim personal housing relocation allowances in connection with their transfer from FAA facilities at Stapleton Field to the new Denver International Airport, even in some cases where an employee's new home was farther from the new job site that the employee's former home.

The FAA should immediately investigate this misuse of public funds at Denver International Airport and reform their personnel rules to end this kind of abuse.

THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996

SMITH AMENDMENT NO. 2252

Mr. THURMOND (for Mr. SMITH) proposed an amendment to the bill S. 1026, supra, as follows:

On page 468, strike lines 16 through 24 and insert the following: "The requirements of subparagraph (B) shall not apply in any case in which the transfer of the property occurs or has occurred by means of a lease, without regard to whether the lessee has agreed to purchase the property or whether the duration of the lease is longer than 55 years. In the case of a lease entered into after September 30, 1995, with respect to real property located at an installation approved for closure or realignment under a base closure law, the agency leasing the property, in consultation with the Administrator, shall determine before leasing the property that the property is suitable for lease, that the uses contemplated for the lease are consistent with protection of human health and the environment, and that there are adequate assurances that the United States will take all remedial action referred to in subparagraph (B) that has not been taken on the date of the lease.".

FORD AMENDMENT NO. 2253

Mr. FORD proposed an amendment to the bill S. 1026, supra, as follows:

At the end of subtitle E of title V, add the following:

SEC. 560. DELAY IN REORGANIZATION OF ARMY ROTC REGIONAL HEADQUARTERS STRUCTURE.

(a) DELAY.—The Secretary of the Army may not take any action to reorganize the regional headquarters and basic camp structure of the Reserve Officers Training Corps program of the Army until six months after the date on which the report required by subsection (d) is submitted.

(b) COST-BENEFIT ANALYSIS.—The Secretary of the Army shall conduct a comparative cost-benefit analysis of various options for the reorganization of the regional headquarters and basic camp structure of the Army ROTC program. As part of such analysis, the Secretary shall measure each reorganization option considered against a common set of criteria.

(c) SELECTION OF REORGANIZATION OPTION FOR IMPLEMENTATION.—Based on the findings resulting from the cost-benefit analysis under subsection (b) and such other factors as the Secretary considers appropriate, the Secretary shall select one reorganization option for implementation. The Secretary may select an option for implementation only if the Secretary finds that the cost-benefit analysis and other factors considered clearly demonstrate that such option, better than any other option considered—

(1) provides the structure to meet projected mission requirements;

(2) achieves the most significant personnel and cost savings;

(3) uses existing basic and advanced camp facilities to the maximum extent possible;

(4) minimizes additional military construction costs; and

(5) makes maximum use of the reserve components to support basic and advanced camp operations, thereby minimizing the effect of those operations on active duty units.

(d) REPORT.—Not later than 60 days after the date of the enactment of this Act, the Secretary of the Army shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report describing the reorganization option selected under subsection (c). The report shall include the results of the cost-benefit analysis under subsection (b) and a detailed rationale for the reorganization option selected.

CAMPBELL AMENDMENT NO. 2254

Mr. THURMOND (for Mr. CAMPBELL) proposed an amendment to the bill S. 1026, supra, as follows:

On page 304, between lines 8 and 9, insert the following:

SEC. 744. REPORT ON EFFECT OF CLOSURE OF FITZSIMONS ARMY MEDICAL CENTER, COLORADO, ON PROVISION OF CARE TO MILITARY PERSONNEL AND DEPENDENTS EXPERIENCING HEALTH DIFFICULTIES ASSOCIATED WITH PERSIAN GULF SYNDROME.

Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report that—

(1) assesses the effects of the closure of Fitzsimons Army Medical Center, Colorado, on the capability of the Department of Defense to provide appropriate and adequate health care to members and former members of the Armed Forces and their dependents who suffer from undiagnosed illnesses (or combination of illnesses) as a result of service in the Armed Forces in the Southwest Asia theater of operations during the Persian Gulf War; and

(2) describes the plans of the Secretary of Defense and the Secretary of the Army to ensure that adequate and appropriate health care is available to such members, former members, and their dependents, for such illnesses.

PRYOR (AND ROTH) AMENDMENT NO. 2255

Mr. FORD (for Mr. PRYOR for himself and Mr. ROTH) proposed an amendment to the bill S. 1026, supra, as follows:

On page 69, between lines 9 and 10, insert the following:

SEC. 242. SENSE OF SENATE ON THE DIRECTOR OF OPERATIONAL TEST AND EVALUATION.

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

(1) The Office of the Director of Operational Test and Evaluation of the Department of Defense was created by Congress to provide an independent validation and verification on the suitability and effectiveness of new weapons, and to ensure that the United States military departments acquire

weapons that are proven in an operational environment before they are produced and used in combat.

(2) The office is currently making significant contributions to the process by which the Department of Defense acquires new weapons by providing vital insights on operational weapons tests to be used in this acquisition process.

(3) The office provides vital services to Congress in providing an independent certification on the performance of new weapons that have been operationally tested.

(4) A provision of H.R. 1530, an Act entitled "An Act to authorize appropriations for fiscal year 1996 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", agreed to by the House of Representatives on June 15, 1995, contains a provision that could substantially diminish the authority and responsibilities of the office and perhaps cause the elimination of the office and its functions.

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

(1) the authority and responsibilities of the Office of the Director of Operational Test and Evaluation of the Department of Defense should not be diminished or eliminated; and

(2) the conferees on H.R. 1530, an Act entitled "An Act to authorize appropriations for fiscal year 1996 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" should not propose to Congress a conference report on that Act that would either diminish or eliminate the Office of the Director of Operational Test and Evaluation or its functions.

LOTT AMENDMENT NO. 2256

Mr. KEMPTHORNE (for Mr. LOTT) proposed an amendment to the bill S. 1026, supra, as follows:

On page 202, line 16, insert "or upgrade" after "award".

NUNN AMENDMENTS NOS. 2257–2258

Mr. FORD (for Mr. NUNN) proposed two amendments to the bill S. 1026, supra, as follows:

AMENDMENT NO. 2257

On page 137, after line 24, insert the following:

SEC. . AUTHORIZING THE AMOUNTS REQUESTED IN THE BUDGET FOR JUNIOR ROTC.

(A) There is hereby authorized to be appropriated $12,295,000 to fully fund the budget request for the Junior Reserve Officer Training Corps programs of the Army, Navy, Air Force, and Marine Corps. Such amount is in addition to the amount otherwise available for such programs under section 301.

(b) The amount authorized to be appropriated by section 101(4) is hereby reduced by $12,295,000.

AMENDMENT NO. 2258

On page 109, strike out lines 1 and 2 and insert the following in lieu thereof: by inserting "of the reserve components and of the combat support and combat service support elements of the regular components" after "resources".

On page 109, strike out line 11 and all that follows through line 2 on page 110.

On page 110, in line 3, redesignate subsection (d) as subsection (c).

On page 403, insert the following between line 16 and line 17:

SEC. 1095. EXTENSION OF PILOT OUTREACH PROGRAM.

Section 1045(d) of the National Defense Authorization Act for Fiscal Year 1993 is amended by striking out "three" and inserting "five" in lieu thereof.

THURMOND AMENDMENT NO. 2259

Mr. KEMPTHORNE (for Mr. THURMOND) proposed an amendment to the bill S. 1026, supra, as follows:

On page 114, beginning on line 9, strike out "READY RESERVE COMPONENT OF THE READY RESERVE FLEET." and insert in lieu thereof "THE NATIONAL DEFENSE RESERVE FLEET.".

On page 114, beginning on line 20, strike out "of the Ready Reserve component".

MCCAIN (GLENN) AMENDMENTS NOS. 2260–2261

Mr. KEMPTHORNE (for Mr. MCCAIN for himself and Mr. GLENN) proposed two amendments to the bill S. 1026, supra, as follows:

AMENDMENT NO. 2260

On page 487, below line 24, add the following:

SEC. 2838. LAND CONVEYANCE, RADAR BOMB SCORING SITE, FORSYTH, MONTANA.

(a) AUTHORITY TO CONVEY.—The Secretary of the Air Force may convey, without consideration, to the City of Forsyth, Montana (in this section referred to as the "City"), all right, title, and interest of the United States in and to the parcel of property (including any improvements thereon) consisting of approximately 58 acres located in Forsyth, Montana, which has served as a support complex and recreational facilities for the Radar Bomb Scoring Site, Forsyth, Montana.

(b) CONDITION OF CONVEYANCE.—The conveyance under subsection (a) shall be subject to the condition that the City—

(1) utilize the property and recreational facilities conveyed under that subsection for housing and recreation purposes; or

(2) enter into an agreement with an appropriate public or private entity to lease such property and facilities to that entity for such purposes.

(c) REVERSION.—If the Secretary determines at any time that the property conveyed under subsection (a) is not being utilized in accordance with paragraph (1) or paragraph (2) of subsection (b), all right, title, and interest in and to the conveyed property, including any improvements thereon, shall revert to the United States and the United States shall have the right of immediate entry onto the property.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property conveyed under this section shall be determined by a survey satisfactory to the Secretary. The cost of such survey shall be borne by the City.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary determines appropriate to protect the interests of the United States.

AMENDMENT NO. 2261

On page 487, below line 24, add the following:

SEC. 2838. LAND CONVEYANCE, RADAR BOMB SCORING SITE, POWELL, WYOMING.

(a) AUTHORITY TO CONVEY.—The Secretary of the Air Force may convey, without consideration, to the Northwest College Board of Trustees (in this section referred to as the "Board"), all right, title, and interest of the United States in and to a parcel of real property (including any improvements thereon) consisting of approximately 24 acres located in Powell, Wyoming, which has served as the location of a support complex, recreational facilities, and housing facilities for the Radar Bomb Scoring Site, Powell, Wyoming.

(b) CONDITION OF CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the condition that the Board use the property conveyed under that subsection for housing and recreation purposes and for such other purposes as the Secretary and the Board jointly determine appropriate.

(c) REVERSIONARY INTEREST.—During the 5-year period beginning on the date that the Secretary makes the conveyance authorized under subsection (a), if the Secretary determines that the conveyed property, is not being used in accordance with subsection (b), all right, title, and interest in and to the conveyed property, including any improvements thereon, shall revert to the United States and the United States shall have the right of immediate entry onto the property.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property conveyed under this section shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Board.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

PRESSLER AMENDMENT NO. 2262

Mr. KEMPTHORNE (for Mr. PRESSLER) proposed an amendment to the bill S. 1026, supra, as follows:

On page 343, after line 24, insert the following:

SEC. 1036. ESTABLISHMENT OF JUNIOR R.O.T.C. UNITS IN INDIAN RESERVATION SCHOOLS.

It is the sense of Congress that the Secretary of Defense should ensure that secondary educational institutions on Indian reservations are afforded a full opportunity along with other secondary educational institutions to be selected as locations for establishment of new Junior Reserve Officers' Training Corps units.

HELMS AMENDMENT NO. 2263

Mr. KEMPTHORNE (for Mr. HELMS) proposed an amendment to the bill S. 1026, supra, as follows:

On page 348, beginning on line 23, strike out "to Congress" and insert in lieu thereof the following: "to the Committees on Armed Services and on Foreign Relations of the Senate and the Committees on National Security and on International Relations of the House of Representatives".

On page 368, line 7, after "defense committees" insert the following: ", the Committee on Foreign Relations of the Senate, and the Committee on International Relations of the House of Representatives".

COHEN AMENDMENT NO. 2264

Mr. KEMPTHORNE (for Mr. COHEN) proposed an amendment to the bill S. 1026, supra, as follows:

On page 334, strike out lines 6 through 15.

On page 334, line 16, strike out "(d)" and insert in lieu thereof "(c)".

On page 334, line 19, strike out "(e)" and insert in lieu thereof "(d)".

PRYOR AMENDMENT NO. 2265

Mr. FORD (for Mr. PRYOR) proposed an amendment to the bill S. 1026, supra, as follows:

On page 371, below line 21, add the following:

SEC. 1062. REPORTS ON ARMS EXPORT CONTROL AND MILITARY ASSISTANCE.

(a) REPORTS BY SECRETARY OF STATE.—Not later than 180 days after the date of the enactment of this Act and every year thereafter until 1998, the Secretary of State shall submit to Congress a report setting forth—

(1) an organizational plan to include those firms on the Department of State licensing watch-lists that—

(A) engage in the exportation of potentially sensitive or dual-use technologies; and

(B) have been identified or tracked by similar systems maintained by the Department of Defense, Department of Commerce, or the United States Customs Service; and

(2) further measures to be taken to strengthen United States export-control mechanisms.

(b) REPORTS BY INSPECTOR GENERAL.—(1) Not later than 180 days after the date of the enactment of this Act and 1 year thereafter, the Inspector General of the Department of State and the Foreign Service shall submit to Congress a report on the evaluation by the Inspector General of the effectiveness of the watch-list screening process at the Department of State during the preceding year. The report shall be submitted in both a classified and unclassified version.

(2) Each report under paragraph (2) shall—

(A) set forth the number of licenses granted to parties on the watch-list;

(B) set forth the number of end-use checks performed by the Department;

(C) assess the screening process used by the Department in granting a license when an applicant is on a watch-list; and

(D) assess the extent to which the watch-list contains all relevant information and parties required by statute or regulation.

(c) ANNUAL MILITARY ASSISTANCE REPORT.—The Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) is amended by inserting after section 654 the following new section:

"SEC. 655 ANNUAL MILITARY ASSISTANCE REPORT.

"(a) IN GENERAL.—Not later than February 1 of 1996 and 1997, the President shall transmit to Congress an annual report for the fiscal year ending the previous September 30, showing the aggregate dollar value and quantity of defense articles (including excess defense articles) and defense services, and of military education and training, furnished by the United States to each foreign country and international organization, by category, specifying whether they were furnished by grant under chapter 2 or chapter 5 of part II of this Act or by sale under chapter 2 of the Arms Control Export-Control Act or authorized by commercial sale license under section 38 of that Act.

"(b) ADDITIONAL CONTENTS OF REPORTS.—Each report shall also include the total amount of military items of non-United States manufacture being imported into the United States. The report should contain the country of origin, the type of item being imported, and the total amount of items.".

THURMOND AMENDMENTS NOS. 2266–2267

Mr. KEMPTHORNE (for Mr. THURMOND) proposed two amendments to the bill S. 1026, supra, as follows:

AMENDMENT NO. 2266

On page 313, between lines 8 and 9, insert the following:

SEC. 815. COST AND PRICING DATA.

(a) ARMED SERVICES PROCUREMENTS.—Section 2306a(d)(2)(A)(i) of title 10, United States Code, is amended by striking out "and the procurement is not covered by an exception in subsection (b)," and inserting in lieu thereof "and the offeror or contractor requests to be exempted from the requirement for submission of cost or pricing data pursuant to this subsection,".

(b) CIVILIAN AGENCY PROCUREMENTS.—Section 304A(d)(2)(A)(i) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254b(d)(20(A)(i)) is amended by striking out "and the procurement is not covered by an exception in subsection (b)," and inserting in lieu thereof "and the offeror or contractor requests to be exempted from the requirement for submission of cost or pricing data pursuant to this subsection,".

SEC. 816. PROCUREMENT NOTICE TECHNICAL AMENDMENTS.

Section 18(c)(1)(E) of the Office of Federal Procurement Policy Act (41 U.S.C. 416(c)(10(E)) is amended by inserting after "requirements contract" the following: ", a task order contract, or a delivery order contract".

SEC. 817. REPEAL OF DUPLICATIVE AUTHORITY FOR SIMPLIFIED ACQUISITION PURCHASES.

Section 31 of the Office of Federal Procurement Policy Act (41 U.S.C. 427) is amended—

(1) by striking out subsections (a), (b), and (c);

(2) by redesignating subsections (d), (e), and (f) as (a), (b), and (c), respectively;

(3) in subsection (b), as so redesignated, by striking out "provided in the Federal Acquisition Regulation pursuant to this section" each place it appears and inserting in lieu thereof "contained in the Federal Acquisition Regulation"; and

(4) by adding at the end the following:

"(d) PROCEDURES DEFINED.—The simplified acquisition procedures referred to in this section are the simplified acquisition procedures that are provided in the Federal Acquisition Regulation pursuant to section 2304(g) of title 10, United States Code, and section 303(g) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(g)).".

SEC. 818. MICRO-PURCHASES WITHOUT COMPETITIVE QUOTATIONS.

Section 32(d) of the Office of Federal Procurement Policy Act (41 U.S.C. 428) is amended by striking out "the contracting officer" and inserting in lieu thereof "an employee of an executive agency or a member of the Armed Forces of the United States authorized to do so".

AMENDMENT NO. 2267

On page 381, beginning on line 5, strike out "(a)" and all that follows through "ACTIVITIES.—" on line 6.

On page 381, strike out lines 13 through 16.

On page 403, strike out lines 5 through 16.

SHELBY (AND HEFLIN) AMENDMENT NO. 2268

Mr. KEMPTHORNE (for Mr. SHELBY for himself and Mr. HEFLIN) proposed an amendment to the bill S. 1026, supra, as follows:

(a) On page 32, before line 20, section 201(4) is amended by adding the following new subsection:

(C) $475,470,000 is authorized for Other Theater Missile Defense, of which up to $25,000,000 may be made available for the operation of the Battlefield Integration Center.

HEFLIN (AND SHELBY) AMENDMENTS NOS. 2269–2270

Mr. FORD (for Mr. HEFLIN, for himself and Mr. SHELBY) proposed two amendments to the bill S. 1026, supra, as follows:

AMENDMENT NO. 2269

On page 58, line 13, insert ", except that Minuteman boosters may not be used as part of a National Missile Defense architecture" before the period at the end.

AMENDMENT NO. 2270

On page 69, between lines 9 and 10, insert the following:

SEC. 242. BALLISTIC MISSILE DEFENSE TECHNOLOGY CENTER.

(A) Establishment.—The Director of the Ballistic Missile Defense Organization shall establish a Ballistic Missile Defense Technology Center within the Space and Strategic Defense Command of the Army.

(b) MISSION.—The missions of the Center are as follows:

(1) To maximize common application of ballistic missile defense component technology programs, target test programs, functional analysis and phenomenology investigations.

(2) To store data from the missile defense technology programs of the Armed Forces using computer facilities of the Missile Defense Data Center.

(c) TECHNOLOGY PROGRAM COORDINATION WITH CENTER.—The Secretary of Defense, acting through the Director of the Ballistic Missile Defense Organization, shall require the head of each element or activity of the Department of Defense beginning a new missile defense program referred to in subsection (b)(1) to first coordinate the program with the Ballistic Missile Defense Technology Center in order to prevent duplication of effort.

HELMS AMENDMENT NO. 2271

Mr. KEMPTHORNE (for Mr. HELMS) proposed an amendment to the bill S. 1026, supra, as follows:

Beginning of page 359, strike out lines 20 and 21, and insert in lieu thereof the following:

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

MCCAIN (AND FEINSTEIN) AMENDMENT NO. 2272

Mr. KEMPTHORNE (for Mr. MCCAIN, for himself and Mrs. FEINSTEIN) proposed an amendment to the bill S. 1026, supra, as follows:

On page 468, below line 24, add the following:

SEC. 2825. IMPROVEMENT OF BASE CLOSURE AND REALIGNMENT PROCESS.

(a) APPLICABILITY.—Subparagraph (A) of section 2905(b)(7) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended by striking out "Determinations of the use to assist the homeless of buildings and property located at installations approved for closure under this part" and inserting in lieu thereof "Procedures for the disposal of buildings and property located at installations approved for closure or realignment under this part".

(b) REDEVELOPMENT AUTHORITIES.—Subparagraph (B) of such section is amended by adding at the end the following:

"(iii) The chief executive officer of the State in which an installation covered by this paragraph is located may assist in resolving any disputes among citizens or groups of citizens as to the individuals and groups constituting the redevelopment authority for the installation.".

(c) AGREEMENTS UNDER REDEVELOPMENT PLANS.—Subparagraph (F)(ii)(I) of such section is amended in the second sentence by striking out "the approval of the redevelopment plan by the Secretary of Housing and Urban Development under subparagraph (H) or (J)" and inserting in lieu thereof "the decision regarding the disposal of the buildings and property covered by the agreements by the Secretary of Defense under subparagraph (K) or (L)".

(d) REVISION OF REDEVELOPMENT PLANS.—Subparagraph (I) of such section is amended by inserting "the Secretary of Defense and" before "the Secretary of Housing and Urban Development" each place it appears.

(e) DISPOSAL OF BUILDINGS AND PROPERTY.—(1) Subparagraph (K) of such section is amended to read as follows:

"(K)(i) Upon receipt of a notice under subparagraph (H)(iv) or (J)(ii) of the determination of the Secretary of Housing and Urban Development that a redevelopment plan for an installation meets the requirements set forth in subparagraph (H)(i), the Secretary of Defense shall dispose of the buildings and property at the installation.

"(ii) For purposes of carrying out an environmental assessment of the closure or realignment of an installation, the Secretary shall treat the redevelopment plan for the installation (including the aspects of the plan providing for disposal to State or local governments, representatives of the homeless, and other interested parties) as part of the proposed Federal action for the installation.

"(iii) The Secretary shall dispose of buildings and property under clause (i) in accordance with the record of decision or other decision document prepared by the Secretary in accordance with the National Environmental Policy Act of 1969 (42 U.S.C. 4331 et seq.) In preparing the record of decision or other decision document, the Secretary shall give substantial deference to the redevelopment plan concerned.

"(iv) The disposal under clause (i) of buildings and property to assist the homeless shall be without consideration.

"(v) In the case of a request for a conveyance under clause (i) of buildings and property for public benefit under section 203(k) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(k)) and subchapter II of chapter 471 of title 49, United States Code, the applicant and use proposed in the request shall be determined to be eligible for the public benefit conveyance under the eligibility criteria set forth in such section or such subchapter. The determination of such eligibility should be made before the redevelopment plan concerned under subparagraph (G) ".

(2) Subparagraph (L) of such section is amended by striking out clauses (iii) and (iv) and inserting in lieu thereof the following new clauses (iii) and (iv):

"(iii) Not later than 90 days after the date of the receipt of a revised plan for an installation under subparagraph (J), the Secretary of Housing and Urban Development shall—

"(I) notify the Secretary of Defense and the redevelopment authority concerned of the buildings and property at an installation under clause (i)(IV) that the Secretary of Housing and Urban Development determines are suitable for use to assist the homeless; and

"(II) notify the Secretary of Defense of the extent to which the revised plan meets the criteria set forth in subparagraph (H)(i).

"(iv)(I) Upon notice from the Secretary of Housing and Urban Development with respect to an installation under clause (iii), the Secretary of Defense shall, after consultation with the Secretary of Housing and Urban Development and redevelopment authority concerned, dispose of buildings and property at the installation.

"(II) For purposes of carrying out an environmental assessment of the closure or realignment of an installation, the Secretary shall treat the redevelopment plan for the installation (including the aspects of the plan providing for disposal to State or local governments, representatives of the homeless, and other interested parties) as part of the proposed Federal action for the installation.

"(III) The Secretary shall dispose of buildings and property under subclause (I) in accordance with the record of decision or other decision document prepared by the Secretary in accordance with the National Environmental Policy Act of 1969 (42 U.S.C. 4331 et seq.) In preparing the record of decision or other decision document, the Secretary shall give deference to the redevelopment plan concerned.

"(IV) The disposal under subclause (I) of buildings and property to assist the homeless shall be without consideration.

"(V) In the case of a request for a conveyance under clause (i) of buildings and property for public benefit under section 203(k) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(k)) and subchapter II of chapter 471 of title 49, United States Code, the applicant and use proposed in the request shall be determined to be eligible for the public benefit conveyance under the eligibility criteria set forth in such section or such subchapter. The determination of such eligibility should be made before the redevelopment plan concerned under subparagraph (G) ".

(f) CONFORMING AMENDMENT.—Subparagraph (M)(i) of such section is amended by inserting "or (L)" after "subparagraph (K)".

(g) CLARIFICATION OF PARTICIPANTS IN PROCESS.—Such section is further amended by adding at the end the following:

"(P) For purposes of this paragraph, the term 'other interested parties', in the case of an installation, includes any parties eligible for the conveyance of property of the installation under section 203(k) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(k)) or subchapter II of chapter 471 of title 49, United States Code, whether or not the parties assist the homeless.".

(h) TECHNICAL AMENDMENTS.—Section 2910 of such Act is amended—

(1) by designating the paragraph (10) added by section 2(b) of the Base Closure Community Redevelopment and Homeless Assistance Act of 1994 (Public Law 103-421; 108 Stat. 4352) as paragraph (11); and

(2) in such paragraph, as so designated, by striking out "section 501(h)(4) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411(h)(4))" and inserting in lieu thereof "section 501(i)(4) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411(i)(4))".

SEC. 2826. EXERCISE OF AUTHORITY DELEGATED BY THE ADMINISTRATOR OF GENERAL SERVICES.

Section 2905(b)(2) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended—

(1) in subparagraph (A)—

(A) by striking out "Subject to subparagraph (C)" in the matter preceding clause (i) and inserting in lieu thereof "Subject to subparagraph (B)"; and

(B) by striking out "in effect on the date of the enactment of this Act" each place it appears in clauses (i) and (ii);

(2) by striking out subparagraphs (B) and (C) and inserting in lieu thereof the following new subparagraph (B):

"(B) The Secretary may, with the concurrence of the Administrator of General Services—

"(i) prescribe general policies and methods for utilizing excess property and disposing of surplus property pursuant to the authority delegated under paragraph (1); and

"(ii) issue regulations relating to such policies and methods which regulations supersede the regulations referred to in subparagraph (A) with respect to that authority."; and

(3) by redesignating subparagraphs (D) and (E) as subparagraphs (C) and (D), respectively.

SEC. 2827. LEASE BACK OF PROPERTY DISPOSED FROM INSTALLATIONS APPROVED FOR CLOSURE OR REALIGNMENT.

(a) AUTHORITY.—Section 2905(b)(4) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended—

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

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

"(C)(i) The Secretary may transfer real property at an installation approved for closure or realignment under this part (including property at an installation approved for realignment which property will be retained by the Department of Defense or another Federal agency after realignment) to the redevelopment authority for the installation if the redevelopment authority agrees to lease, directly upon transfer, all or a significant portion of the property transferred under this subparagraph to the Secretary or to the head of another department or agency of the Federal Government. Subparagraph (B) shall apply to a transfer under this subparagraph.

"(ii) A lease under clause (i) shall be for a term of not to exceed 50 years, but may provide for options for renewal or extension of the term by the department or agency concerned.

"(iii) A lease under clause (i) may not require rental payments by the United States.

"(iv) A lease under clause (i) shall include a provision specifying that if the department or agency concerned ceases requiring the use of the leased property before the expiration of the term of the lease, the remainder of the

lease term may, upon approval by the redevelopment authority concerned, be satisfied by the same or another department or agency of the Federal Government using the property for a use similar to the use under the lease.".

(b) USE OF FUNDS TO IMPROVE LEASED PROPERTY.—Notwithstanding any other provision of law, a department or agency of the Federal Government that enters into a lease of property under section 2905(b)(4)(C) of the such Act, as amended by subsection (a), may use funds appropriated or otherwise available to the department or agency for such purpose to improve the leased property.

SEC. 2828. PROCEEDS OF LEASES AT INSTALLATIONS APPROVED FOR CLOSURE OR REALIGNMENT.

(a) INTERIM LEASES.—Section 2667(d) of title 10, United States Code, is amended—

(1) in paragraph (1)(A)—

(A) by striking out "and" at the end of clause (i);

(B) by striking out the period at the end of clause (ii) and inserting in lieu thereof "; and"; and

(C) by adding at the end the following:

"(iii) money rentals referred to in paragraph (5).": and

(2) by adding at the end the following:

"(5) Money rentals received by the United States under subsection (f) shall be deposited in the Department of Defense Base Closure Account 1990 established under section 2906(a) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note).".

(b) DEPOSIT IN 1990 ACCOUNT.—Section 2906(a)(2) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended—

(1) in subparagraph (C)—

(A) by striking out "transfer or disposal" and inserting in lieu thereof "transfer, lease, or other disposal"; and

(B) by striking out "and" at the end;

(2) in subparagraph (D)—

(A) by striking out "transfer or disposal" and inserting in lieu thereof "transfer, lease, or other disposal"; and

(B) by striking out the period at the end and inserting in lieu thereof "; and"; and

(3) by adding at the end the following:

"(E) money rentals received by the United States under section 2667(f) of title 10, United States Code.".

KOHL AMENDMENT NO. 2273

Mr. FORD (for Mr. KOHL) proposed an amendment to the bill S. 1026, supra, as follows:

On page 89, strike out lines 13 through 22 and insert in lieu thereof the following:

"(2) The commander of an installation may obtain technical assistance under paragraph (1) for a technical review committee or restoration advisory board only if—

"(A) the technical review committee or restoration advisory board demonstrates that the Federal, State, and local agencies responsible for overseeing environmental restoration at the installation, and available Department of Defense personnel, do not have the technical expertise necessary for achieving the objective for which the technical assistance is to be obtained;

"(B) the technical assistance is likely to contribute to the efficiency, effectiveness, or timeliness of environmental restoration activities at the installation; and

"(C) the technical assistance is likely to contribute to community acceptance of environmental restoration activities at the installation.".

On page 90, line 20, strike out "until" and insert in lieu thereof "after March 1, 1996, unless".

GLENN AMENDMENT NO. 2274

Mr. NUNN (for Mr. GLENN) proposed an amendment to the bill S. 1026, supra, as follows:

On page 110, after line 19, insert the following:

SEC. 365. OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID PROGRAMS.

(a) GAO REPORT.—Not later than December 15, 1995, the Comptroller General of the United States shall provide to the congressional defense committees a report on—

(1) existing funding mechanisms available to cover the costs associated with the Overseas Humanitarian, Disaster, and Civic Assistance activities through funds provided to the Department of State or the Agency for International Development; and

(2) if such mechanisms do not exist, actions necessary to institute such mechanisms, including any changes in existing law or regulations.

On page 70, in line 25, strike out "$20,000,000" and insert in lieu thereof "$60,000,000".

On page 70, after line 25, insert the following: "The amount authorized to be appropriated by section 301(5) is hereby reduced by $40,000,000.".

HELMS AMENDMENT NO. 2275

Mr. KEMPTHORNE (for Mr. HELMS) proposed an amendment to the bill S. 1026, supra, as follows:

On page 403, after line 16, add the following:

SEC. 1097. SENSE OF SENATE ON MIDWAY ISLANDS.

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

(1) September 2, 1995, marks the 50th anniversary of the United States victory over Japan in World War II.

(2) The Battle of Midway proved to be the turning point in the war in the Pacific, as United States Navy forces inflicted such severe losses on the Imperial Japanese Navy during the battle that the Imperial Japanese Navy never again took the offensive against United States or allied forces.

(3) During the Battle of Midway, an outnumbered force of the United States Navy, consisting of 29 ships and other units of the Armed Forces under the command of Admiral Nimitz and Admiral Spruance, out-maneuvered and out-fought 350 ships of the Imperial Japanese Navy.

(4) It is in the public interest to erect a memorial to the Battle of Midway that is suitable to express the enduring gratitude of the American people for victory in the battle and to inspire future generations of Americans with the heroism and sacrifice of the members of the Armed Forces who achieved that victory.

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

(1) the Midway Islands and the surrounding seas deserve to be memorialized;

(2) the historic structures related to the Battle of Midway should be maintained, in accordance with the National Historic Preservation Act, and subject to the availability of appropriations for that purpose.

(3) appropriate access to the Midway Islands by survivors of the Battle of Midway, their families, and other visitors should be provided in a manner that ensures the public health and safety on the Midway Islands and the conservation and natural resources of those islands in accordance with existing Federal law.

THURMOND AMENDMENT NO. 2276

Mr. KEMPTHORNE (for Mr. THURMOND) proposed an amendment to the bill S. 1026, supra, as follows:

On page 30, after the matter following line 24, insert the following:

SEC. 125. CRASH ATTENUATING SEATS ACQUISITION PROGRAM.

(a) PROGRAM AUTHORIZED.—The Secretary of the Navy may establish a program to procure for, and install in H-53E military transport helicopters commercially developed, energy absorbing, crash attenuating seats that the Secretary determines are consistent with military specifications for seats for such helicopters.

(b) FUNDING.—To the extent provided in appropriations Acts, of the unobligated balance of amounts appropriated for the Legacy Resource Management Program pursuant to the authorization of appropriations in section 301(5) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337; 108 Stat. 2706), not more than $10,000,000 shall be available to the Secretary of the Navy, by transfer to the appropriate accounts, for carrying out the program authorized in subsection (a).

SMITH AMENDMENT NO. 2277

Mr. KEMPTHORNE (for Mr. SMITH) proposed an amendment to the bill S. 1026, supra, as follows:

At the appropriate point in the bill, insert the following:

SEC. . NAMING AMPHIBIOUS SHIPS.

(a) FINDINGS.—The Senate finds that—

(1) This year is the fiftieth anniversary of the Battle of Iwo Jima, one of the great victories in all of the Marine Corps illustrious history.

(2) The Navy has recently retired the ship that honored that battle, the U.S.S. Iwo Jima (LPH-2), the first ship in a class of amphibious assault ships.

(3) This Act authorizes the LHD-7, the final ship of the Wasp class of amphibious assault ships that will replace the Iwo Jima class of ships.

(4) The Navy is planning to start building a new class of amphibious transport docks, now called the LPD-17 class. This Act also authorizes funds that will lead to procurement of these vessels.

(5) There has been some confusion in the rationale behind naming new naval vessels with traditional naming conventions frequently violated.

(6) Although there have been good and sufficient reasons to depart from naming conventions in the past, the rationale for such departures has not always been clear.

(b) SENSE OF THE SENATE.—In light of these findings, expressed in subsection (a), it is the sense of the Senate that the Secretary of the Navy should:

(1) Name the LHD-7 the U.S.S. Iwo Jima.

(2) Name the LPD-17 and all future ships of the LPD-17 class after famous Marine Corps battles or famous Marine Corps heros.

LOTT AMENDMENT NO. 2278

Mr. KEMPTHORNE (for Mr. LOTT) proposed an amendment to the bill S. 1026, supra, as follows:

On page 115, strike out line 4 and all that follows through page 116, line 13.

GLENN AMENDMENT NO. 2279

Mr. NUNN (Mr. GLENN) proposed an amendment to the bill S. 1026, supra, as follows:

Beginning on page 321, strike out line 15 and all that follows through page 325, line 18, and insert in lieu thereof the following:

"(b) CREDITS TO ACCOUNT.—(1) Under regulations prescribed by the Secretary of Defense, and upon a determination by the Secretary concerned of the availability and source of excess funds as described in subparagraph (A) or (B), the Secretary may transfer to the Defense Modernization Account during any fiscal year—

"(A) any amount of unexpired funds available to the Secretary for procurement that, as a result of economies, efficiencies, and other savings achieved in the procurements, are excess to the funding requirements of the procurements; and

"(B) any amount of unexpired funds available to the Secretary for support of installations and facilities that, as a result of economies, efficiencies, and other savings, are excess to the funding requirements for support of installations and facilities.

"(2) Funds referred to in paragraph (1) may not be transferred to the Defense Modernization Account by a Secretary concerned if—

"(A) the funds are necessary for programs, projects, and activities that, as determined by the Secretary, have a higher priority than the purposes for which the funds would be available if transferred to that account; or

"(B) the balance of funds in the account, after transfer of funds to the account would exceed $1,000,000,000.

"(3) Amounts credited to the Defense Modernization Account shall remain available for transfer until the end of the third fiscal year that follows the fiscal year in which the amounts are credited to the account.

"(4) The period of availability of funds for expenditure provided for in sections 1551 and 1552 of title 31 shall not be extended by transfer into the Defense Modernization Account.

"(c) ATTRIBUTION OF FUNDS.—The funds transferred to the Defense Modernization Account by a military department, Defense Agency, or other element of the Department of Defense shall be available in accordance with subsections (f) and (g) only for that military department, Defense Agency, or element.

"(d) USE OF FUNDS.—Funds available from the Defense Modernization Account pursuant to subsection (f) or (g) may be used only for the following purposes:

"(1) For increasing, subject to subsection (e), the quantity of items and services procured under a procurement program in order to achieve a more efficient production or delivery rate.

"(2) For research, development, test and evaluation and procurement necessary for modernization of an existing system or of a system being procured under an ongoing procurement program.

"(e) LIMITATIONS.—(1) Funds from the Defense Modernization Account may not be used to increase the quantity of an item or services procured under a particular procurement program to the extent that doing so would—

"(A) result in procurement of a total quantity of items or services in excess of—

"(i) a specific limitation provided in law on the quantity of the items or services that may be procured; or

"(ii) the requirement for the items or services as approved by the Joint Requirements Oversight Council and reported to Congress by the Secretary of Defense; or

"(B) result in an obligation or expenditure of funds in excess of a specific limitation provided in law on the amount that may be obligated or expended, respectively, for the procurement program.

"(2) Funds from the Defense Modernization Account may not be used for a purpose or program for which Congress has not authorized appropriations.

"(3) Funds may not be transferred from the Defense Modernization Account in any year for the purpose of—

"(A) making any expenditure for which there is no corresponding obligation; or

"(B) making any expenditure that would satisfy an unliquidated or unrecorded obligation arising in a prior fiscal year.

"(f) TRANSFER OF FUNDS.—(1) Funds in the Defense Modernization Account may be transferred in any fiscal year to appropriations available for use for purposes set forth in subsection (d).

"(2) Before funds in the Defense Modernization Account are transferred under paragraph (1), the Secretary concerned shall transmit to the congressional defense committees a notification of the amount and purpose of the proposed transfer.

"(3) The total amount of the transfer from the Defense Modernization Account may not exceed $500,000,000 in any fiscal year.

"(g) AVAILABILITY OF FUNDS FOR APPROPRIATION.—Funds in the Defense Modernization Account may be appropriated for purposes set forth in subsection (d) to the extent provided in Acts authorizing appropriations for the Department of the Defense.

"(h) SECRETARY TO ACT THROUGH COMPTROLLER.—In exercising authority under this section, the Secretary of Defense shall act through the Under Secretary of Defense (Comptroller), who shall be authorized to implement this section through the issuance of any necessary regulations, policies, and procedures after consultation with the General Counsel and Inspector General of the Department of Defense.

"(i) QUARTERLY REPORT.—Not later than 15 days after the end of each calendar quarter, the Secretary of Defense shall submit to the appropriate committees of Congress a report setting forth the amount and source of each credit to the Defense Modernization Account during the quarter and the amount and purpose of each transfer from the account during the quarter.

"(j) DEFINITIONS.—In this section:

"(1) The term 'Secretary concerned' includes the Secretary of Defense.

"(2) The term 'unexpired funds' means funds appropriated for a definite period that remain available for obligation.

"(3) The term 'congressional defense committees' means—

"(A) the Committees on Armed Services and Appropriations of the Senate; and

"(B) the Committee on National Security and Appropriations of the House of Representatives.

"(4) The term 'appropriate committees of Congress' means—

"(A) the congressional defense committees;

"(B) the Committee on Governmental Affairs of the Senate; and

"(C) the Committee on Government Reform and Oversight of the House of Representatives.

"(k) INAPPLICABILITY TO COAST GUARD.—This section does not apply to the Coast Guard when it is not operating as a service in the Navy.".

(2) The table of sections at the beginning of chapter 131 of such title is amended by adding at the end the following:

"2221. Defense Modernization Account.".

(b) EFFECTIVE DATE.—Section 2221 of title 10, United States Code (as added by subsection (a)), shall take effect on October 1, 1995, and shall apply only to funds appropriated for fiscal years beginning on or after that date.

(c) EXPIRATION OF AUTHORITY AND ACCOUNT.—(1) The authority under section 2221(b) of title 10, United States Code (as added by subsection (a)), to transfer funds into the Defense Modernization Account shall terminate on October 1, 2003.

(2) Three years after the termination of transfer authority under paragraph (1), the Defense Modernization Account shall be closed and the remaining balance in the account shall be canceled and thereafter shall not be available for any purpose.

(3)(A) The Comptroller General of the United States shall conduct two reviews of the administration of the Defense Modernization Account. In each review, the Comptroller General shall assess the operations and benefits of the account.

(B) Not later than March 1, 2000, the Comptroller General shall—

(i) complete the first review; and

(ii) submit to the appropriate committees of Congress an initial report on the administration and benefits of the Defense Modernization Account.

(C) Not later than March 1, 2003, the Comptroller General shall—

(i) complete the second review; and

(ii) submit to the appropriate committees of Congress a final report on the administration and benefits of the Defense Modernization Account.

(D) Each report shall include any recommended legislation regarding the account that the Comptroller General considers appropriate.

(E) In this paragraph, the term "appropriate committees of Congress" has the meaning given such term in section 2221(j)(4) of title 10, United States Code, as added by subsection (a).

THE PERSONAL RESPONSIBILITY ACT OF 1995

DOLE (AND OTHERS) AMENDMENT NO. 2280

Mr. DOLE (for himself, Mr. PACKWOOD, Mr. LOTT, Mr. NICKLES, Mr. COCHRAN, Mr. MACK, Mr. D'AMATO, Mr. THURMOND, Mr. ABRAHAM, Mr. BENNETT, Mr. BOND, Mr. BROWN, Mr. DEWINE, Mr. FRIST, Mr. GORTON, Mr. GRASSLEY, Mr. GREGG, Mr. HATCH, Mr. HATFIELD, Mr. HELMS, Mrs. HUTCHISON, Mr. INHOFE, Mr. MCCAIN, Mr. MURKOWSKI, Mr. PRESSLER, Mr. ROTH, Mr. SANTORUM, Mr. SHELBY, Mr. SIMPSON, Mr. STEVENS, Mr. THOMAS, Mr. THOMPSON, and Mr. WARNER) proposed an amendment to the bill (H.R. 4) to restore the American family, reduce illegitimacy, control welfare spending, and reduce welfare dependence; as follows:

On page 1, line 3, of the bill, after "**SECTION 1.**", strike all through the end and insert the following:

SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Work Opportunity Act of 1995".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
TITLE I—BLOCK GRANTS FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES
Sec. 100. References to Social Security Act.
Sec. 101. Block grants to States.
Sec. 102. Services provided by charitable, religious, or private organizations.
Sec. 103. Limitations on use of financial assistance for certain purposes.
Sec. 104. Continued application of current standards under medicaid program.
Sec. 105. Reduction in personnel.
Sec. 106. Conforming amendments to the Social Security Act.
Sec. 107. Conforming amendments to the food stamp act of 1977 and related provisions.
Sec. 108. Conforming amendments to other laws.
Sec. 109. Secretarial submission of legislative proposal for technical and conforming amendments.
Sec. 110. Effective date; transition rule.
TITLE II—SUPPLEMENTAL SECURITY INCOME
Sec. 200. Reference to Social Security Act.
Subtitle A—Eligibility Restrictions
Sec. 201. Denial of supplemental security income benefits by reason of disability to drug addicts and alcoholics.
Sec. 202. Denial of SSI benefits for 10 years to individuals found to have fraudulently misrepresented residence in order to obtain benefits simultaneously in 2 or more States.
Sec. 203. Denial of SSI benefits for fugitive felons and probation and parole violators.
Sec. 204. Effective dates; application to current recipients.
Subtitle B—Benefits for Disabled Children
Sec. 211. Restrictions on eligibility for benefits.
Sec. 212. Continuing disability reviews.
Sec. 213. Treatment requirements for disabled individuals under the age of 18.
Subtitle C—Study of Disability Determination Process
Sec. 221. Study of disability determination process.
Subtitle D—National Commission on the Future of Disability
Sec. 231. Establishment.
Sec. 232. Duties of the Commission.
Sec. 233. Membership.
Sec. 234. Staff and support services.
Sec. 235. Powers of Commission.
Sec. 236. Reports.
Sec. 237. Termination.
Subtitle E—State Supplementation Programs
Sec. 241. Repeal of maintenance of effort requirements applicable to optional State programs for supplementation of SSI benefits.
TITLE III—FOOD STAMP PROGRAM
Subtitle A—Food Stamp Reform
Sec. 301. Certification period.
Sec. 302. Treatment of children living at home.
Sec. 303. Optional additional criteria for separate household determinations.
Sec. 304. Adjustment of thrifty food plan.
Sec. 305. Definition of homeless individual.
Sec. 306. State options in regulations.
Sec. 307. Earnings of students.
Sec. 308. Energy assistance.
Sec. 309. Deductions from income.
Sec. 310. Amount of vehicle asset limitation.
Sec. 311. Benefits for aliens.
Sec. 312. Disqualification.
Sec. 313. Caretaker exemption.
Sec. 314. Employment and training.
Sec. 315. Comparable treatment for disqualification.
Sec. 316. Cooperation with child support agencies.
Sec. 317. Disqualification for child support arrears.
Sec. 318. Permanent disqualification for participating in 2 or more States.
Sec. 319. Work requirement.
Sec. 320. Electronic benefit transfers.
Sec. 321. Minimum benefit.
Sec. 322. Benefits on recertification.
Sec. 323. Optional combined allotment for expedited households.
Sec. 324. Failure to comply with other welfare and public assistance programs.
Sec. 325. Allotments for households residing in institutions.
Sec. 326. Operation of food stamp offices.
Sec. 327. State employee and training standards.
Sec. 328. Exchange of law enforcement information.
Sec. 329. Expedited coupon service.
Sec. 330. Fair hearings.
Sec. 331. Income and eligibility verification system.
Sec. 332. Collection of overissuances.
Sec. 333. Termination of Federal match for optional information activities.
Sec. 334. Standards for administration.
Sec. 335. Work supplementation or support program.
Sec. 336. Waiver authority.
Sec. 337. Authorization of pilot projects.
Sec. 338. Response to waivers.
Sec. 339. Private sector employment initiatives.
Sec. 340. Reauthorization of appropriations.
Sec. 341. Reauthorization of Puerto Rico nutrition assistance program.
Sec. 342. Simplified food stamp program.
Sec. 343. Optional State food assistance block grant.
Sec. 344. Effective date.
Subtitle B—Anti-Fraud and Trafficking
Sec. 351. Expanded definition of coupon.
Sec. 352. Doubled penalties for violating food stamp program requirements.
Sec. 353. Authority to establish authorization periods.
Sec. 354. Specific period for prohibiting participation of stores based on lack of business integrity.
Sec. 355. Information for verifying eligibility for authorization.
Sec. 356. Waiting period for stores that initially fail to meet authorization criteria.
Sec. 357. Bases for suspensions and disqualifications.
Sec. 358. Disqualification of stores pending judicial and administrative review.
Sec. 359. Disqualification of retailers who are disqualified under the WIC program.
Sec. 360. Permanent debarment of retailers who intentionally submit falsified applications.
Sec. 361. Expanded criminal forfeiture for violations.
Sec. 362. Effective date.
TITLE IV—CHILD NUTRITION PROGRAMS
Subtitle A—Reimbursement Rates
Sec. 401. Termination of additional payment for lunches served in high free and reduced price participation schools.
Sec. 402. Value of food assistance.
Sec. 403. Lunches, breakfasts, and supplements.
Sec. 404. Summer food service program for children.
Sec. 405. Special milk program.
Sec. 406. Free and reduced price breakfasts.
Sec. 407. Conforming reimbursement for paid breakfasts and lunches.
Subtitle B—Grant Programs
Sec. 411. School breakfast startup grants.
Sec. 412. Nutrition education and training programs.
Sec. 413. Effective date.
Subtitle C—Other Amendments
Sec. 421. Free and reduced price policy statement.
Sec. 422. Summer food service program for children.
Sec. 423. Child and adult care food program.
Sec. 424. Reducing required reports to State agencies and schools.
Subtitle D—Reauthorization
Sec. 431. Commodity distribution program; commodity supplemental food program.
Sec. 432. Emergency food assistance program.
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TITLE I—BLOCK GRANTS FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

SEC. 100. REFERENCES TO SOCIAL SECURITY ACT.

Except as otherwise specifically provided, wherever in this title an amendment 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 that section or other provision of the Social Security Act.

SEC. 101. BLOCK GRANTS TO STATES.

(a) REPEALS.—

(1) IN GENERAL.—Parts A and F of title IV (42 U.S.C. 601 et seq. and 682 et seq.) are hereby repealed.

(2) RULES AND REGULATIONS.—The Secretary of Health and Human Services shall ensure that any rules and regulations relating to the provisions of law repealed in paragraph (1) shall cease to have effect on and after the date of the repeal of such provisions.

(b) BLOCK GRANTS TO STATES FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES WITH MINOR CHILDREN.—Title IV (42 U.S.C. 601 et seq.) is amended by inserting before part B the following:

"PART A—BLOCK GRANTS TO STATES FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES WITH MINOR CHILDREN

"SEC. 400. NO INDIVIDUAL ENTITLEMENT.

"Notwithstanding any other provision of law, no individual is entitled to any assistance under this part.

"SEC. 401. PURPOSE.

"The purpose of this part is to increase the flexibility of States in operating a program designed to—

"(1) provide assistance to needy families with minor children;

"(2) provide job preparation and opportunities for such families; and

"(3) prevent and reduce the incidence of out-of-wedlock pregnancies.

"SEC. 402. ELIGIBLE STATES; STATE PLAN.

"(a) IN GENERAL.—As used in this part, the term 'eligible State' means, with respect to a fiscal year, a State that has submitted to the Secretary a plan that includes the following:

"(1) OUTLINE OF FAMILY ASSISTANCE PROGRAM.—A written document that outlines how the State intends to do the following:

"(A) Conduct a program designed to serve all political subdivisions in the State to—

"(i) provide assistance to needy families with not less than 1 minor child; and

"(ii) provide a parent or caretaker in such families with work experience, assistance in finding employment, and other work preparation activities and support services that the State considers appropriate to enable such families to leave the program and become self-sufficient.

"(B) Require a parent or caretaker receiving assistance under the program to engage in work (as defined by the State) when the State determines the parent or caretaker is ready to engage in work, or after 24 months (whether or not consecutive) of receiving assistance under the program, whichever is earlier.

"(C) Satisfy the minimum participation rates specified in section 404.

"(D) Treat—

"(i) families with minor children moving into the State from another State; and

"(ii) noncitizens of the United States.

"(E) Safeguard and restrict the use and disclosure of information about individuals and families receiving assistance under the program.

"(F) Establish goals and take action to prevent and reduce the incidence of out-of-wedlock pregnancies, with special emphasis on teenage pregnancies.

"(2) CERTIFICATION THAT THE STATE WILL OPERATE A CHILD SUPPORT ENFORCEMENT PROGRAM.—A certification by the chief executive officer of the State that, during the fiscal year, the State will operate a child support enforcement program under the State plan approved under part D.

"(3) CERTIFICATION THAT THE STATE WILL OPERATE A CHILD PROTECTION PROGRAM.—A certification by the chief executive officer of the State that, during the fiscal year, the State will operate a child protection program under the State plan approved under part B.

"(4) CERTIFICATION THAT THE STATE WILL OPERATE A FOSTER CARE AND ADOPTION ASSISTANCE PROGRAM.—A certification by the chief executive officer of the State that, during the fiscal year, the State will operate a foster care and adoption assistance program under the State plan approved under part E.

"(5) CERTIFICATION THAT THE STATE WILL PARTICIPATE IN THE INCOME AND ELIGIBILITY VERIFICATION SYSTEM.—A certification by the chief executive officer of the State that, during the fiscal year, the State will participate in the income and eligibility verification system required by section 1137.

"(6) CERTIFICATION OF THE ADMINISTRATION OF THE PROGRAM.—A certification by the chief executive officer of the State specifying which State agency or agencies are responsible for the administration and supervision of the State program for the fiscal year.

"(7) CERTIFICATION THAT REQUIRED REPORTS WILL BE SUBMITTED.—A certification by the chief executive officer of the State that the State shall provide the Secretary with any reports required under this part.

"(8) ESTIMATE OF FISCAL YEAR STATE AND LOCAL EXPENDITURES.—An estimate of the total amount of State and local expenditures under the State program for the fiscal year.

"(b) CERTIFICATION THAT THE STATE WILL PROVIDE ACCESS TO INDIANS.—

"(1) IN GENERAL.—In recognition of the Federal Government's trust responsibility to, and government-to-government relationship with, Indian tribes, the Secretary shall ensure that Indians receive at least their equitable share of services under the State program, by requiring a certification by the chief executive officer of each State described in paragraph (2) that, during the fiscal year, the State shall provide Indians in each Indian tribe that does not have a tribal family assistance plan approved under section 414 for a fiscal year with equitable access to assistance under the State program funded under this part.

"(2) STATE DESCRIBED.—For purposes of paragraph (1), a State described in this paragraph is a State in which there is an Indian tribe that does not have a tribal family assistance plan approved under section 414 for a fiscal year.

"(c) DEFINITIONS.—For purposes of this part, the following definitions shall apply:

"(1) ADULT.—The term 'adult' means an individual who is not a minor child.

"(2) MINOR CHILD.—The term 'minor child' means an individual—

"(A) who—

"(i) has not attained 18 years of age; or

"(ii) has not attained 19 years of age and is a full-time student in a secondary school (or in the equivalent level of vocational or technical training); and

"(B) who resides with such individual's custodial parent or other caretaker relative.

"(3) FISCAL YEAR.—The term 'fiscal year' means any 12-month period ending on September 30 of a calendar year.

"(4) INDIAN, INDIAN TRIBE, AND TRIBAL ORGANIZATION.—The terms 'Indian', 'Indian tribe', and 'tribal organization' have the meaning given such terms by section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

"(5) STATE.—Except as otherwise specifically provided, the term 'State' includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, and American Samoa.

"SEC. 403. PAYMENTS TO STATES AND INDIAN TRIBES.

"(a) GRANT AMOUNT.—

"(1) IN GENERAL.—Subject to the provisions of paragraph (3), section 407 (relating to penalties), and section 414(g), for each of fiscal years 1996, 1997, 1998, 1999, and 2000, the Secretary shall pay—

"(A) each eligible State a grant in an amount equal to the State family assistance grant for the fiscal year; and

"(B) each Indian tribe with an approved tribal family assistance plan a tribal family assistance grant in accordance with section 414.

"(2) STATE FAMILY ASSISTANCE GRANT.—

"(A) IN GENERAL.—For purposes of paragraph (1)(A), a State family assistance grant for any State for a fiscal year is an amount equal to the total amount of the Federal payments to the State under section 403 for fiscal year 1994 (as such section was in effect during such fiscal year and as such payments were reported by the State on February 14, 1995), reduced by the amount (if any) determined under subparagraph (B).

"(B) AMOUNT ATTRIBUTABLE TO CERTAIN INDIAN FAMILIES SERVED BY INDIAN TRIBES.—

"(i) IN GENERAL.—For purposes of subparagraph (A), the amount determined under this subparagraph is an amount equal to the Federal payments to the State under section 403 for fiscal year 1994 (as in effect during such fiscal year) attributable to expenditures by the State under parts A and F of this title (as so in effect) for Indian families described in clause (ii).

"(ii) INDIAN FAMILIES DESCRIBED.—For purposes of clause (i), Indian families described in this clause are Indian families who reside in a service area or areas of an Indian tribe receiving a tribal family assistance grant under section 414.

"(C) NOTIFICATION.—Not later than 3 months prior to the payment of each quarterly installment of a State grant under subsection (a)(1), the Secretary shall notify the State of the amount of the reduction determined under subparagraph (B) with respect to the State.

"(3) SUPPLEMENTAL GRANT AMOUNT FOR POPULATION INCREASES IN CERTAIN STATES.—

"(A) IN GENERAL.—The amount of the grant payable under paragraph (1) to a qualifying State for each of fiscal years 1997, 1998, 1999, and 2000 shall be increased by an amount equal to 2.5 percent of the amount that the State received under this section in the preceding fiscal year.

"(B) INCREASE TO REMAIN IN EFFECT EVEN IF STATE FAILS TO QUALIFY IN LATER YEARS.—Subject to section 407, in no event shall the amount of a grant payable under paragraph (1) to a State for any fiscal year be less than the amount the State received under this section for the preceding fiscal year.

"(C) QUALIFYING STATE.—

"(i) IN GENERAL.—For purposes of this paragraph, the term 'qualifying State', with respect to any fiscal year, means a State that—

"(I) had an average level of State welfare spending per poor person in the preceding fiscal year that was less than the national average level of State welfare spending per poor person in the preceding fiscal year; and

"(II) had an estimated rate of State population growth as determined by the Bureau of the Census for the most recent fiscal year for which information is available that was greater than the average rate of population growth for all States as determined by the Bureau of the Census for such fiscal year.

"(ii) CERTAIN STATES DEEMED QUALIFYING STATES.—For purposes of this paragraph, a State shall be deemed to be a qualifying State for fiscal years 1997, 1998, 1999, and 2000 if the level of State welfare spending per poor person in fiscal year 1996 was less than 35 percent of the national average level of State welfare spending per poor person in fiscal year 1996.

"(iii) STATE MUST QUALIFY IN FISCAL YEAR 1997.—A State shall not be eligible to be a qualifying State under clause (i) for fiscal years after 1997 if the State was not a qualifying State under clause (i) in fiscal year 1997.

"(D) DEFINITIONS.—For purposes of this paragraph:

"(i) LEVEL OF STATE WELFARE SPENDING PER POOR PERSON.—The term 'level of State welfare spending per poor person' means, with respect to a State for any fiscal year—

"(I) the amount of the grant received by the State under this section (prior to the application of section 407); divided by

"(II) the number of the individuals in the State who had an income below the poverty line according to the 1990 decennial census.

"(ii) NATIONAL AVERAGE LEVEL OF STATE WELFARE SPENDING PER POOR PERSON.—The term 'national average level of State welfare spending per poor person' means an amount equal to—

"(I) the amount paid in grants under this section (prior to the application of section 407); divided by

"(II) the number of individuals in all States with an income below the poverty line according to the 1990 decennial census.

"(iii) POVERTY LINE.—The term 'poverty line' has the same meaning given such term in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)).

"(iv) STATE.—The term 'State' means each of the 50 States of the United States.

"(4) APPROPRIATION.—

"(A) STATES.—There are authorized to be appropriated and there are appropriated $16,795,323,000 for each fiscal year described in paragraph (1) for the purpose of paying—

"(i) grants to States under paragraph (1)(A); and

"(ii) tribal family assistance grants under paragraph (1)(B).

"(B) ADJUSTMENT FOR QUALIFYING STATES.—For the purpose of increasing the amount of the grant payable to a State under paragraph (1) in accordance with paragraph (3), there are authorized to be appropriated and there are appropriated—

"(i) for fiscal year 1997, $85,860,000;

"(ii) for fiscal year 1998, $173,276,000;

"(iii) for fiscal year 1999, $263,468,000; and

"(iv) for fiscal year 2000, $355,310,000.

"(b) USE OF GRANT.—

"(1) IN GENERAL.—Subject to this part, a State to which a grant is made under this section may use the grant—

"(A) in any manner that is reasonably calculated to accomplish the purpose of this part; or

"(B) in any manner that such State used amounts received under part A or F of this title, as such parts were in effect before October 1, 1995.

"(2) AUTHORITY TO TREAT INTERSTATE IMMIGRANTS UNDER RULES OF FORMER STATE.—A State to which a grant is made under this section may apply to a family the rules of the program operated under this part of another State if the family has moved to the State from the other State and has resided in the State for less than 12 months.

"(3) AUTHORITY TO RESERVE CERTAIN AMOUNTS FOR ASSISTANCE.—A State may reserve amounts paid to the State under this part for any fiscal year for the purpose of providing, without fiscal year limitation, assistance under the State program operated under this part.

"(4) AUTHORITY TO OPERATE EMPLOYMENT PLACEMENT PROGRAM.—A State to which a grant is made under this section may use a portion of the grant to make payments (or provide job placement vouchers) to State-approved public and private job placement agencies that provide employment placement services to individuals who receive assistance under the State program funded under this part.

"(5) TRANSFERABILITY OF GRANT AMOUNTS.—A State may use up to 30 percent of amounts received from a grant under this part for a fiscal year to carry out State activities under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.) (relating to child care block grants).

"(c) TIMING OF PAYMENTS.—The Secretary shall pay each grant payable to a State under this section in quarterly installments.

"(d) FEDERAL LOAN FUND FOR STATE WELFARE PROGRAMS.—

"(1) ESTABLISHMENT.—There is hereby established in the Treasury of the United States a revolving loan fund which shall be known as the 'Federal Loan Fund for State Welfare Programs' (hereafter for purposes of this section referred to as the 'fund').

"(2) DEPOSITS INTO FUND.—

"(A) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, $1,700,000,000 are hereby appropriated for fiscal year 1996 for payment to the fund.

"(B) LOAN REPAYMENTS.—The Secretary shall deposit into the fund any principal or interest payment received with respect to a loan made under this subsection.

"(3) AVAILABILITY.—Amounts in the fund are authorized to remain available without fiscal year limitation for the purpose of making loans and receiving payments of principal and interest on such loans, in accordance with this subsection.

"(4) USE OF FUND.—

"(A) LOANS TO STATES.—The Secretary shall make loans from the fund to any loan-eligible State, as defined in subparagraph (D), for a period to maturity of not more than 3 years.

"(B) RATE OF INTEREST.—The Secretary shall charge and collect interest on any loan made under subparagraph (A) at a rate equal to the Federal short-term rate, as defined in section 1274(d) of the Internal Revenue Code of 1986.

"(C) MAXIMUM LOAN.—The cumulative amount of any loans made to a State under subparagraph (A) during fiscal years 1996 through 2000 shall not exceed 10 percent of the State family assistance grant under subsection (a)(2) for a fiscal year.

"(D) LOAN-ELIGIBLE STATE.—For purposes of subparagraph (A), a loan-eligible State is a State which has not had a penalty described in section 407(a)(1) imposed against it at any time prior to the loan being made.

"(5) LIMITATION ON USE OF LOAN.—A State shall use a loan received under this subsection only for any purpose for which grant amounts received by the State under subsection (a) may be used including—

"(A) welfare anti-fraud activities; and

"(B) the provision of assistance under the State program to Indian families that have moved from the service area of an Indian tribe with a tribal family assistance plan approved under section 414.

"(e) SPECIAL RULE FOR INDIAN TRIBES THAT RECEIVED JOBS FUNDS.—

"(1) IN GENERAL.—The Secretary shall pay to each eligible Indian tribe for each of fiscal years 1996, 1997, 1998, 1999, and 2000 a grant in an amount equal to the amount received by such Indian tribe in fiscal year 1995 under section 482(i) (as in effect during such fiscal year) for the purpose of operating a program to make work activities available to members of the Indian tribe.

"(2) ELIGIBLE INDIAN TRIBE.—For purposes of paragraph (1), the term 'eligible Indian tribe' means an Indian tribe or Alaska Native organization that conducted a job opportunities and basic skills training program in fiscal year 1995 under section 482(i) (as in effect during such fiscal year).

"(3) APPROPRIATION.—There are authorized to be appropriated and there are hereby appropriated $7,638,474 for each fiscal year described in paragraph (1) for the purpose of paying grants in accordance with such paragraph.

"(f) SECRETARY.—For purposes of this section, the term 'Secretary' means the Secretary of the Treasury.

"SEC. 404. MANDATORY WORK REQUIREMENTS.

"(a) PARTICIPATION RATE REQUIREMENTS.—A State to which a grant is made under section 403 for a fiscal year shall achieve the minimum participation rate specified in the following tables for the fiscal year with respect to—

"(1) all families receiving assistance under the State program funded under this part:

"If the fiscal year is:	The minimum participation rate for all families is:
1996	25
1997	30
1998	35
1999	40
2000 or thereafter	50; and

"(2) with respect to 2-parent families receiving such assistance:

"If the fiscal year is:	The minimum participation rate is:
1996	60
1997 or 1998	75
1999 or thereafter	90.

"(b) CALCULATION OF PARTICIPATION RATES.—

"(1) FOR ALL FAMILIES.—

"(A) AVERAGE MONTHLY RATE.—For purposes of subsection (a)(1), the participation rate for all families of a State for a fiscal year is the average of the participation rates for all families of the State for each month in the fiscal year.

"(B) MONTHLY PARTICIPATION RATES.—The participation rate of a State for all families of the State for a month, expressed as a percentage, is—

"(i) the sum of—

"(I) the number of all families receiving assistance under the State program funded under this part that include an adult who is engaged in work for the month;

"(II) the number of all families receiving assistance under the State program funded under this part that are subject in such month to a penalty described in paragraph (1)(A) or (2)(A) of subsection (d) but have not been subject to such penalty for more than 3 months within the preceding 12-month period (whether or not consecutive);

"(III) the number of all families receiving assistance under the State program funded under this part that have become ineligible for assistance under the State program within the previous 6-month period because of employment and that include an adult who is employed for the month; and

"(IV) beginning in the first month beginning after the promulgation of the regulations described in paragraph (3) and in accordance with such regulations, the average monthly number of all families that are not receiving assistance under the State program funded under this part as a result of the State's diversion of such families from the State program prior to such families receipt of assistance under the program; divided by

"(ii) the total number of all families receiving assistance under the State program funded under this part during the month that include an adult.

"(2) 2-PARENT FAMILIES.—

"(A) AVERAGE MONTHLY RATE.—For purposes of subsection (a)(2), the participation rate for 2-parent families of a State for a fiscal year is the average of the participation rates for 2-parent families of the State for each month in the fiscal year.

"(B) MONTHLY PARTICIPATION RATES.—The participation rate of a State for 2-parent families of the State for a month, expressed as a percentage, is—

"(i) the total number of 2-parent families described in paragraph (1)(B)(i); divided by

"(ii) the total number of 2-parent families receiving assistance under the State program funded under this part during the month that include an adult.

"(3) REGULATIONS RELATING TO CALCULATION OF FAMILIES DIVERTED FROM ASSISTANCE.—

"(A) IN GENERAL.—Not later than 1 year after the date of the enactment of the Work Opportunity Act of 1995, the Secretary shall consult with the States and establish, by regulation, a method to measure the number of families diverted by a State from the State program funded under this part prior to such families receipt of assistance under the program.

"(B) ELIGIBILITY CHANGES NOT COUNTED.—The regulations described in subparagraph (A) shall not take into account families that are diverted from a State program funded under this part as a result of differences in eligibility criteria under a State program funded under this part and eligibility criteria under such State's plan under the aid to families with dependent children program, as such plan was in effect on the day before the date of the enactment of the Work Opportunity Act of 1995.

"(4) STATE OPTION TO INCLUDE INDIVIDUALS RECEIVING ASSISTANCE UNDER A TRIBAL FAMILY ASSISTANCE PLAN.—For purposes of paragraphs (1)(B) and (2)(B), a State may, at its option, include families receiving assistance under a tribal family assistance plan approved under section 414. For purposes of the previous sentence, an individual who receives assistance under a tribal family assistance plan approved under section 414 shall be treated as being engaged in work if the individual is participating in work under standards that are comparable to State standards for being engaged in work.

"(c) ENGAGED IN WORK.—

"(1) ALL FAMILIES.—For purposes of subsection (b)(1)(B)(i)(I), an adult is engaged in work for a month in a fiscal year if the adult is participating in work for at least the minimum average number of hours per week specified in the following table during the month, not fewer than 20 hours per week of which are attributable to a work activity:

"If the month is in fiscal year:	The minimum average number of hours per week is:
1996	20
1997	20
1998	20
1999	25
2000	30
2001	30
2002	35
2003 or thereafter	35.

"(2) 2-PARENT FAMILIES.—For purposes of subsection (b)(2)(A), an adult is engaged in work for a month in a fiscal year if the adult is participating in work for at least 35 hours per week during the month, not fewer than 30 hours per week of which are attributable to work activities described in paragraph (3).

"(3) DEFINITION OF WORK ACTIVITIES.—For purposes of this subsection, the term 'work activities' means—

"(A) unsubsidized employment;

"(B) subsidized employment;

"(C) on-the-job training;

"(D) community service programs; and

"(E) job search (only for the first 4 weeks in which an individual is required to participate in work activities under this section).

"(d) PENALTIES AGAINST INDIVIDUALS.—If an adult in a family receiving assistance under the State program funded under this part refuses to engage in work required under subsection (c)(1) or (c)(2), a State to which a grant is made under section 403 shall—

"(1) reduce the amount of assistance that would otherwise be payable to the family; or

"(2) terminate such assistance,

subject to such good cause and other exceptions as the State may establish.

"(e) NONDISPLACEMENT IN WORK ACTIVITIES.—

"(1) IN GENERAL.—Subject to paragraph (2), an adult in a family receiving assistance under this part may fill a vacant employment position in order to engage in a work activity described in subsection (c)(3).

"(2) NO FILLING OF CERTAIN VACANCIES.—No adult described in paragraph (1) shall be employed, or job opening filled, by such an adult—

"(A) when any other individual is on layoff from the same or any substantially equivalent job; or

"(B) when the employer has terminated the employment of any regular employee or otherwise reduced its workforce with the intention of filling the vacancy so created by hiring an adult described in paragraph (1).

"(f) SENSE OF THE CONGRESS.—It is the sense of the Congress that in complying with this section, each State that operates a program funded under this part is encouraged to assign the highest priority to requiring adults in 2-parent families and adults in single-parent families that include older preschool or school-age children to be engaged in work activities.

"(g) DELIVERY THROUGH STATEWIDE SYSTEM.—

"(1) IN GENERAL.—Each work program carried out by the State to provide work activities in order to comply with this section shall be delivered through the statewide workforce development system established in section 711 of the Work Opportunity Act of 1995 unless a required work activity is not available locally through the statewide workforce development system.

"(2) EFFECTIVE DATE.—The provisions of paragraph (1) shall take effect—

"(A) in a State described in section 815(b)(1) of the Work Opportunity Act of 1995; and

"(B) in any other State, on July 1, 1998.

"SEC. 405. REQUIREMENTS AND LIMITATIONS.

"(a) STATE REQUIRED TO ENTER INTO A PERSONAL RESPONSIBILITY CONTRACT WITH EACH FAMILY RECEIVING ASSISTANCE.—Each State to which a grant is made under section 403 shall require each family receiving assistance under the State program funded under this part to have entered into a personal responsibility contract (as developed by the State) with the State.

"(b) NO ASSISTANCE FOR MORE THAN 5 YEARS.—

"(1) IN GENERAL.—Except as provided under paragraphs (2) and (3), a State to which a grant is made under section 403 may not use any part of the grant to provide assistance to a family that includes an adult who has received assistance under the program operated under this part for the lesser of—

"(A) the period of time established at the option of the State; or

"(B) 60 months (whether or not consecutive) after September 30, 1995.

"(2) MINOR CHILD EXCEPTION.—If an individual received assistance under the State program operated under this part as a minor child in a needy family, any period during which such individual's family received assistance shall not be counted for purposes of applying the limitation described in paragraph (1) to an application for assistance under such program by such individual as the head of a household of a needy family with minor children.

"(3) HARDSHIP EXCEPTION.—

"(A) IN GENERAL.—The State may exempt a family from the application of paragraph (1) by reason of hardship.

"(B) LIMITATION.—The number of families with respect to which an exemption made by a State under subparagraph (A) is in effect for a fiscal year shall not exceed 15 percent of the average monthly number of families to which the State is providing assistance under the program operated under this part.

"(c) DENIAL OF ASSISTANCE FOR 10 YEARS TO A PERSON FOUND TO HAVE FRAUDULENTLY MISREPRESENTED RESIDENCE IN ORDER TO OBTAIN ASSISTANCE IN 2 OR MORE STATES.—An individual shall not be considered an eligible individual for the purposes of this part during the 10-year period that begins on the date the individual is convicted in Federal or State court of having made a fraudulent statement or representation with respect to the place of residence of the individual in order to receive assistance simultaneously from 2 or more States under programs that are funded under this title, title XIX, or the Food Stamp Act of 1977, or benefits in 2 or more States under the supplemental security income program under title XVI.

"(d) DENIAL OF ASSISTANCE FOR FUGITIVE FELONS AND PROBATION AND PAROLE VIOLATORS.—

"(1) IN GENERAL.—An individual shall not be considered an eligible individual for the purposes of this part if such individual is—

"(A) fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

"(B) violating a condition of probation or parole imposed under Federal or State law.

"(2) EXCHANGE OF INFORMATION WITH LAW ENFORCEMENT AGENCIES.—Notwithstanding any other provision of law, a State shall furnish any Federal, State, or local law enforcement officer, upon the request of the officer, with the current address of any recipient of assistance under this part, if the officer furnishes the agency with the name of the recipient and notifies the agency that—

"(A) such recipient—

"(i) is described in subparagraph (A) or (B) of paragraph (1); or

"(ii) has information that is necessary for the officer to conduct the officer's official duties; and

"(B) the location or apprehension of the recipient is within such officer's official duties.

"SEC. 406. PROMOTING RESPONSIBLE PARENTING.

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

"(1) Marriage is the foundation of a successful society.

"(2) Marriage is an essential institution of a successful society which promotes the interests of children.

"(3) Promotion of responsible fatherhood and motherhood is integral to successful child rearing and the wellbeing of children.

"(4) In 1992, only 54 percent of single-parent families with children had a child support order established and, of that 54 percent, only about one half received the full amount due. Of the cases enforced through the public child support enforcement system, only 18 percent of the caseload has a collection.

"(5) The number of individuals receiving aid to families with dependent children (hereafter in this subsection referred to as 'AFDC') has more than tripled since 1965. More than two-thirds of these recipients are children. Eighty-nine percent of children receiving AFDC benefits now live in homes in which no father is present.

"(A)(i) The average monthly number of children receiving AFDC benefits—

"(I) was 3,300,000 in 1965;

"(II) was 6,200,000 in 1970;

"(III) was 7,400,000 in 1980; and

"(IV) was 9,300,000 in 1992.

"(ii) While the number of children receiving AFDC benefits increased nearly threefold between 1965 and 1992, the total number of children in the United States aged 0 to 18 has declined by 5.5 percent.

"(B) The Department of Health and Human Services has estimated that 12,000,000 children will receive AFDC benefits within 10 years.

"(C) The increase in the number of children receiving public assistance is closely related to the increase in births to unmarried women. Between 1970 and 1991, the percentage of live births to unmarried women increased nearly threefold, from 10.7 percent to 29.5 percent.

"(6) The increase of out-of-wedlock pregnancies and births is well documented as follows:

"(A) It is estimated that the rate of nonmarital teen pregnancy rose 23 percent from 54 pregnancies per 1,000 unmarried teenagers in 1976 to 66.7 pregnancies in 1991. The overall rate of nonmarital pregnancy rose 14 percent from 90.8 pregnancies per 1,000 unmarried women in 1980 to 103 in both 1991 and 1992. In contrast, the overall pregnancy rate for married couples decreased 7.3 percent between 1980 and 1991, from 126.9 pregnancies per 1,000 married women in 1980 to 117.6 pregnancies in 1991.

"(B) The total of all out-of-wedlock births between 1970 and 1991 has risen from 10.7 percent to 29.5 percent and if the current trend continues, 50 percent of all births by the year 2015 will be out-of-wedlock.

"(7) The negative consequences of an out-of-wedlock birth on the mother, the child, the family, and society are well documented as follows:

"(A) Young women 17 and under who give birth outside of marriage are more likely to go on public assistance and to spend more years on welfare once enrolled. These combined effects of 'younger and longer' increase total AFDC costs per household by 25 percent to 30 percent for 17-year olds.

"(B) Children born out-of-wedlock have a substantially higher risk of being born at a very low or moderately low birth weight.

"(C) Children born out-of-wedlock are more likely to experience low verbal cognitive attainment, as well as more child abuse, and neglect.

"(D) Children born out-of-wedlock were more likely to have lower cognitive scores, lower educational aspirations, and a greater likelihood of becoming teenage parents themselves.

"(E) Being born out-of-wedlock significantly reduces the chances of the child growing up to have an intact marriage.

"(F) Children born out-of-wedlock are 3 more times likely to be on welfare when they grow up.

"(8) Currently 35 percent of children in single-parent homes were born out-of-wedlock, nearly the same percentage as that of children in single-parent homes whose parents are divorced (37 percent). While many parents find themselves, through divorce or tragic circumstances beyond their control, facing the difficult task of raising children alone, nevertheless, the negative consequences of raising children in single-parent homes are well documented as follows:

"(A) Only 9 percent of married-couple families with children under 18 years of age have income below the national poverty level. In contrast, 46 percent of female-headed households with children under 18 years of age are below the national poverty level.

"(B) Among single-parent families, nearly ½ of the mothers who never married received AFDC while only ⅛ of divorced mothers received AFDC.

"(C) Children born into families receiving welfare assistance are 3 times more likely to be on welfare when they reach adulthood than children not born into families receiving welfare.

"(D) Mothers under 20 years of age are at the greatest risk of bearing low birth-weight babies.

"(E) The younger the single parent mother, the less likely she is to finish high school.

"(F) Young women who have children before finishing high school are more likely to receive welfare assistance for a longer period of time.

"(G) Between 1985 and 1990, the public cost of births to teenage mothers under the aid to families with dependent children program, the food stamp program, and the medicaid program has been estimated at $120,000,000,000.

"(H) The absence of a father in the life of a child has a negative effect on school performance and peer adjustment.

"(I) Children of teenage single parents have lower cognitive scores, lower educational aspirations, and a greater likelihood of becoming teenage parents themselves.

"(J) Children of single-parent homes are 3 times more likely to fail and repeat a year in grade school than are children from intact two-parent families.

"(K) Children from single-parent homes are almost 4 times more likely to be expelled or suspended from school.

"(L) Neighborhoods with larger percentages of youth aged 12 through 20 and areas with higher percentages of single-parent households have higher rates of violent crime.

"(M) Of those youth held for criminal offenses within the State juvenile justice system, only 29.8 percent lived primarily in a home with both parents. In contrast to these incarcerated youth, 73.9 percent of the 62,800,000 children in the Nation's resident population were living with both parents.

"(9) Therefore, in light of this demonstration of the crisis in our Nation, it is the sense of the Congress that prevention of out-of-wedlock pregnancy and reduction in out-of-wedlock birth are very important Government interests and the policy contained in provisions of this title is intended to address the crisis.

"(b) STATE OPTION TO DENY ASSISTANCE FOR OUT-OF-WEDLOCK BIRTHS TO MINORS.—At the option of the State, a State to which a grant is made under section 403 may provide that the grant shall not be used to provide assistance for a child born out-of-wedlock to an individual who has not attained 18 years of age, or for the individual, until the individual attains such age.

"(c) STATE OPTION TO DENY ASSISTANCE FOR CHILDREN BORN TO FAMILIES RECEIVING ASSISTANCE.—At the option of the State, a State to which a grant is made under section 403 may provide that the grant shall not be used to provide assistance for a minor child who is born to—

"(1) a recipient of assistance under the program funded under this part; or

"(2) an individual who received such benefits at any time during the 10-month period ending with the birth of the child.

"(d) REQUIREMENT THAT TEENAGE PARENTS LIVE IN AN ADULT-SUPERVISED SETTING AND ATTEND SCHOOL.—

"(1) IN GENERAL.—A State to which a grant is made under section 403 shall not use any part of the grant to provide assistance to an individual described in paragraph (2) if—

"(A) the individual and the minor child of the individual do not reside in—

"(i) a place of residence maintained by a parent, legal guardian, or other adult relative of such individual as such parent's, guardian's, or adult relative's own home; or

"(ii) another adult-supervised setting; and

"(B) the individual does not participate in—

"(i) educational activities directed toward the attainment of a high school diploma or its equivalent; or

"(ii) an alternative educational or training program that has been approved by the State.

"(2) INDIVIDUAL DESCRIBED.—An individual described in this paragraph is an individual who—

"(A) is under the age of 18 and is not married; and

"(B) has a minor child in his or her care.

"SEC. 407. STATE PENALTIES.

"(a) IN GENERAL.—Subject to the provisions of subsection (b), the Secretary shall deduct from the grant otherwise payable under section 403 the following penalties:

"(1) FOR USE OF GRANT IN VIOLATION OF THIS PART.—If an audit conducted under section 408 finds that an amount paid to a State under section 403 for a fiscal year has been used in violation of this part, then the Secretary shall reduce the amount of the grant otherwise payable to the State under such section for the immediately succeeding fiscal year quarter by the amount so used, plus 5 percent of such grant (determined without regard to this section).

"(2) FOR FAILURE TO SUBMIT REQUIRED REPORT.—

"(A) IN GENERAL.—If the Secretary determines that a State has not, within 6 months after the end of a fiscal year, submitted the report required by section 409 for the fiscal year, the Secretary shall reduce by 5 percent the amount of the grant that would (in the absence of this section) be payable to the State under section 403 for the immediately succeeding fiscal year.

"(B) RESCISSION OF PENALTY.—The Secretary shall rescind a penalty imposed on a State under subparagraph (A) with respect to a report for a fiscal year if the State submits the report before the end of the immediately succeeding fiscal year.

"(3) FOR FAILURE TO SATISFY MINIMUM PARTICIPATION RATES.—

"(A) IN GENERAL.—If the Secretary determines that a State has failed to satisfy the minimum participation rates specified in section 404(a) for a fiscal year, the Secretary shall reduce by not more than 5 percent the

amount of the grant that would (in the absence of this section) be payable to the State under section 403 for the immediately succeeding fiscal year.

"(B) PENALTY BASED ON SEVERITY OF FAILURE.—The Secretary shall impose reductions under subparagraph (A) on the basis of the degree of noncompliance.

"(4) FOR FAILURE TO PARTICIPATE IN THE INCOME AND ELIGIBILITY VERIFICATION SYSTEM.—If the Secretary determines that a State program funded under this part is not participating during a fiscal year in the income and eligibility verification system required by section 1137, the Secretary shall reduce by not more than 5 percent the amount of the grant that would (in the absence of this section) be payable to the State under section 403 for the immediately succeeding fiscal year.

"(5) FOR FAILURE TO COMPLY WITH PATERNITY ESTABLISHMENT AND CHILD SUPPORT ENFORCEMENT REQUIREMENTS UNDER PART D.—Notwithstanding any other provision of this Act, if the Secretary determines that the State agency that administers a program funded under this part does not enforce the penalties requested by the agency administering part D against recipients of assistance under the State program who fail to cooperate in establishing paternity in accordance with such part, the Secretary shall reduce by not more than 5 percent the amount of the grant that would (in the absence of this section) be payable to the State under section 403 for the immediately succeeding fiscal year.

"(6) FOR FAILURE TO TIMELY REPAY A FEDERAL LOAN FUND FOR STATE WELFARE PROGRAMS.—If the Secretary determines that a State has failed to repay any amount borrowed from the Federal Loan Fund for State Welfare Programs established under section 403(d) within the period of maturity applicable to such loan, plus any interest owed on such loan, then the Secretary shall reduce the amount of the grant otherwise payable to the State under section 403 for the immediately succeeding fiscal year quarter by the outstanding loan amount, plus the interest owed on such outstanding amount.

"(b) REQUIREMENTS.—

"(1) LIMITATION ON AMOUNT OF PENALTY.—

"(A) IN GENERAL.—In imposing the penalties described in subsection (a), the Secretary shall not reduce any quarterly payment to a State by more than 25 percent.

"(B) CARRYFORWARD OF UNRECOVERED PENALTIES.—To the extent that subparagraph (A) prevents the Secretary from recovering during a fiscal year the full amount of all penalties imposed on a State under subsection (a) for a prior fiscal year, the Secretary shall apply any remaining amount of such penalties to the grant otherwise payable to the State under section 403 for the immediately succeeding fiscal year.

"(2) STATE FUNDS TO REPLACE REDUCTIONS IN GRANT.—A State which has a penalty imposed against it under subsection (a) shall expend additional State funds in an amount equal to the amount of the penalty for the purpose of providing assistance under the State program under this part.

"(3) REASONABLE CAUSE FOR NONCOMPLIANCE.—The Secretary may not impose a penalty on a State under subsection (a) if the Secretary determines that the State has reasonable cause for failing to comply with a requirement for which a penalty is imposed under such subsection.

"(c) CERTIFICATION OF AMOUNT OF PENALTIES.—If the Secretary is required to reduce the amount of any grant under this section, the Secretary shall certify the amount of such reduction to the Secretary of the Treasury and the Secretary of the Treasury shall reduce the amount paid to the State under section 403 by such amount.

"(d) EFFECTIVE DATES.—

"(1) IN GENERAL.—The penalties described in paragraphs (2) through (6) of subsection (a) shall apply with respect to fiscal years beginning on or after October 1, 1996.

"(2) MISUSE OF FUNDS.—The penalties described in subsection (a)(1) shall apply with respect to fiscal years beginning on or after October 1, 1995.

"SEC. 408. AUDITS.

"(a) IN GENERAL.—Each State shall, not less than annually, audit the State expenditures from amounts received under this part. Such audit shall—

"(1) determine the extent to which such expenditures were or were not expended in accordance with this part; and

"(2) be conducted by an approved entity (as defined in subsection (b)) in accordance with generally accepted auditing principles.

"(b) APPROVED ENTITY.—For purposes of subsection (a), the term 'approved entity' means an entity that—

"(1) is approved by the Secretary of the Treasury;

"(2) is approved by the chief executive officer of the State; and

"(3) is independent of any agency administering activities funded under this part.

"(c) AUDIT REPORT.—Not later than 30 days following the completion of an audit under this subsection, a State shall submit a copy of the audit to the State legislature, the Secretary of the Treasury, and the Secretary of Health and Human Services.

"(d) ADDITIONAL ACCOUNTING REQUIREMENTS.—The provisions of chapter 75 of title 31, United States Code, shall apply to the audit requirements of this section.

"SEC. 409. DATA COLLECTION AND REPORTING.

"(a) IN GENERAL.—Each State to which a grant is made under section 403 for a fiscal year shall, not later than 6 months after the end of fiscal year 1997, and each fiscal year thereafter, transmit to the Secretary the following aggregate information on families to which assistance was provided during the fiscal year under the State program operated under this part:

"(1) The number of adults receiving such assistance.

"(2) The number of children receiving such assistance and the average age of the children.

"(3) The employment status of such adults, and the average earnings of employed adults receiving such assistance.

"(4) The age, race, and educational attainment at the time of application for assistance of the adults receiving such assistance.

"(5) The average amount of cash and other assistance provided to the families under the program.

"(6) The number of months, since the most recent application for assistance under the program, for which such assistance has been provided to the families.

"(7) The total number of months for which assistance has been provided to the families under the program.

"(8) Any other data necessary to indicate whether the State is in compliance with the plan most recently submitted by the State pursuant to section 402.

"(9) The components of any program carried out by the State to provide work activities in order to comply with section 404, and the average monthly number of adults in each such component.

"(10) The number of part-time job placements and the number of full-time job placements made through the program referred to in paragraph (9), the number of cases with reduced assistance, and the number of cases closed due to employment.

"(11) The number of cases closed due to section 405(b).

"(12) The increase or decrease in the number of children born out of wedlock to recipients of assistance under the State program funded under this part and the State's success in meeting its goals established under section 402(a)(1)(F).

"(b) AUTHORITY OF STATES TO USE ESTIMATES.—A State may comply with the requirement to provide precise numerical information described in subsection (a) by submitting an estimate which is obtained through the use of scientifically acceptable sampling methods.

"(c) REPORT ON USE OF FEDERAL FUNDS TO COVER ADMINISTRATIVE COSTS AND OVERHEAD.—The report required by subsection (a) for a fiscal year shall include a statement of—

"(1) the total amount and percentage of the Federal funds paid to the State under this part for the fiscal year that are used to cover administrative costs or overhead; and

"(2) the total amount of State funds that are used to cover such costs or overhead.

"(d) REPORT ON STATE EXPENDITURES ON PROGRAMS FOR NEEDY FAMILIES.—The report required by subsection (a) for a fiscal year shall include a statement of the total amount expended by the State during the fiscal year on the program under this part and the purposes for which such amount was spent.

"(e) REPORT ON NONCUSTODIAL PARENTS PARTICIPATING IN WORK ACTIVITIES.—The report required by subsection (a) for a fiscal year shall include the number of noncustodial parents in the State who participated in work activities during the fiscal year.

"(f) REPORT ON CHILD SUPPORT COLLECTED.—The report required by subsection (a) for a fiscal year shall include the total amount of child support collected by the State agency administering the State program under part D on behalf of a family receiving assistance under this part.

"(g) REPORT ON CHILD CARE.—The report required by subsection (a) for a fiscal year shall include the total amount expended by the State for child care under the program under this part, along with a description of the types of child care provided, including child care provided in the case of a family that—

"(1) has ceased to receive assistance under this part because of employment; or

"(2) is not receiving assistance under this part but would be at risk of becoming eligible for such assistance if child care was not provided.

"(h) REPORT ON TRANSITIONAL SERVICES.—The report required by subsection (a) for a fiscal year shall include the total amount expended by the State for providing transitional services to a family that has ceased to receive assistance under this part because of employment, along with a description of such services.

"(i) SECRETARY'S REPORT ON DATA PROCESSING.—

"(1) IN GENERAL.—Not later than 6 months after the date of the enactment of the Work Opportunity Act of 1995, the Secretary shall prepare and submit to the Congress a report on—

"(A) the status of the automated data processing systems operated by the States to

assist management in the administration of State programs under this part (whether in effect before or after October 1, 1995); and

"(B) what would be required to establish a system capable of—

"(i) tracking participants in public programs over time; and

"(ii) checking case records of the States to determine whether individuals are participating in public programs in 2 or more States.

"(2) PREFERRED CONTENTS.—The report required by paragraph (1) should include—

"(A) a plan for building on the automated data processing systems of the States to establish a system with the capabilities described in paragraph (1)(B); and

"(B) an estimate of the amount of time required to establish such a system and of the cost of establishing such a system.

"SEC. 410. RESEARCH, EVALUATIONS, AND NATIONAL STUDIES.

"(a) RESEARCH.—The Secretary may conduct research on the effects and costs of State programs funded under this part.

"(b) DEVELOPMENT AND EVALUATION OF INNOVATIVE APPROACHES TO EMPLOYING WELFARE RECIPIENTS.—The Secretary may assist States in developing, and shall evaluate, innovative approaches to employing recipients of assistance under programs funded under this part. In performing such evaluations, the Secretary shall, to the maximum extent feasible, use random assignment to experimental and control groups.

"(c) STUDIES OF WELFARE CASELOADS.—The Secretary may conduct studies of the caseloads of States operating programs funded under this part.

"(d) DISSEMINATION OF INFORMATION.—The Secretary shall develop innovative methods of disseminating information on any research, evaluations, and studies conducted under this section, including the facilitation of the sharing of information and best practices among States and localities through the use of computers and other technologies.

"(e) ANNUAL RANKING OF STATES AND REVIEW OF MOST AND LEAST SUCCESSFUL WORK PROGRAMS.—

"(1) ANNUAL RANKING OF STATES.—The Secretary shall rank annually the States to which grants are paid under section 403 in the order of their success in moving recipients of assistance under the State program funded under this part into long-term private sector jobs.

"(2) ANNUAL REVIEW OF MOST AND LEAST SUCCESSFUL WORK PROGRAMS.—The Secretary shall review the programs of the 3 States most recently ranked highest under paragraph (1) and the 3 States most recently ranked lowest under paragraph (1) that provide parents with work experience, assistance in finding employment, and other work preparation activities and support services to enable the families of such parents to leave the program and become self-sufficient.

"(f) STUDY ON ALTERNATIVE OUTCOMES MEASURES.—

"(1) STUDY.—The Secretary shall, in cooperation with the States, study and analyze outcomes measures for evaluating the success of a State in moving individuals out of the welfare system through employment as an alternative to the minimum participation rates described in section 404. The study shall include a determination as to whether such alternative outcomes measures should be applied on a national or a State-by-State basis.

"(2) REPORT.—Not later than September 30, 1998, the Secretary shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report containing the findings of the study described in paragraph (1).

"SEC. 411. STUDY BY THE CENSUS BUREAU.

"(a) IN GENERAL.—The Bureau of the Census shall expand the Survey of Income and Program Participation as necessary to obtain such information as will enable interested persons to evaluate the impact of the amendments made by title I of the Work Opportunity Act of 1995 on a random national sample of recipients of assistance under State programs funded under this part and (as appropriate) other low-income families, and in doing so, shall pay particular attention to the issues of out-of-wedlock births, welfare dependency, the beginning and end of welfare spells, and the causes of repeat welfare spells.

"(b) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, the Secretary of the Treasury shall pay to the Bureau of the Census $10,000,000 for each of fiscal years 1996, 1997, 1998, 1999, and 2000 to carry out subsection (a).

"SEC. 412. WAIVERS.

"(a) CONTINUATION OF WAIVERS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), if any waiver granted to a State under section 1115 or otherwise which relates to the provision of assistance under a State plan under this part is in effect or approved by the Secretary as of October 1, 1995, the amendments made by the Work Opportunity Act of 1995 shall not apply with respect to the State before the expiration (determined without regard to any extensions) of the waiver to the extent such amendments are inconsistent with the terms of the waiver.

"(2) FINANCING LIMITATION.—Notwithstanding any other provision of law, beginning with fiscal year 1996, a State operating under a waiver described in paragraph (1) shall receive the payment described for such State for such fiscal year under section 403, in lieu of any other payment provided for in the waiver.

"(b) STATE OPTION TO TERMINATE WAIVER.—

"(1) IN GENERAL.—A State may terminate a waiver described in subsection (a) before the expiration of the waiver.

"(2) REPORT.—A State which terminates a waiver under paragraph (1) shall submit a report to the Secretary summarizing the waiver and any available information concerning the result or effect of such waiver.

"(3) HOLD HARMLESS PROVISION.—

"(A) IN GENERAL.—A State that, not later than the date described in subparagraph (B), submits a written request to terminate a waiver described in subsection (a) shall be held harmless for accrued cost neutrality liabilities incurred under the terms and conditions of such waiver.

"(B) DATE DESCRIBED.—The date described in this subparagraph is the later of—

"(i) January 1, 1996; or

"(ii) 90 days following the adjournment of the first regular session of the State legislature that begins after the date of the enactment of the Work Opportunity Act of 1995.

"(c) SECRETARIAL ENCOURAGEMENT OF CURRENT WAIVERS.—The Secretary shall encourage any State operating a waiver described in subsection (a) to continue such waiver and to evaluate, using random sampling and other characteristics of accepted scientific evaluations, the result or effect of such waiver.

"SEC. 413. STATE DEMONSTRATION PROGRAMS.

"Nothing in this part shall be construed as limiting a State's ability to conduct demonstration projects for the purpose of identifying innovative or effective program designs in 1 or more political subdivisions of the State.

"SEC. 414. DIRECT FUNDING AND ADMINISTRATION BY INDIAN TRIBES.

"(a) PURPOSE.—The purpose of this section is—

"(1) to strengthen and enhance the control and flexibility of local governments over local programs; and

"(2) in recognition of the principles contained in the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.)—

"(A) to provide direct Federal funding to Indian tribes for the tribal administration of the program funded under this part; or

"(B) to enable Indian tribes to enter into agreements, contracts, or compacts with intertribal consortia, States, or other entities for the administration of such program on behalf of the Indian tribe.

"(b) GRANT AMOUNTS FOR INDIAN TRIBES.—

"(1) IN GENERAL.—For each of fiscal years 1996, 1997, 1998, 1999, and 2000, the Secretary shall pay to each Indian tribe that has an approved tribal family assistance plan a tribal family assistance grant for the fiscal year in an amount equal to the amount determined under paragraph (2).

"(2) AMOUNT DETERMINED.—

"(A) IN GENERAL.—The amount determined under this paragraph is an amount equal to the total amount of the Federal payments to a State or States under section 403 for fiscal year 1994 (as in effect during such fiscal year) attributable to expenditures by the State or States under part A and part F of this title (as so in effect) in such year for Indian families residing in the service area or areas identified by the Indian tribe in subsection (c)(1)(C).

"(B) USE OF STATE SUBMITTED DATA.—

"(i) IN GENERAL.—The Secretary shall use State submitted data to make each determination under subparagraph (A).

"(ii) DISAGREEMENT WITH DETERMINATION.—If an Indian tribe or tribal organization disagrees with State submitted data described under clause (i), the Indian tribe or tribal organization may submit to the Secretary such additional information as may be relevant to making the determination under subparagraph (A) and the Secretary may consider such information before making such determination.

"(c) 3-YEAR TRIBAL FAMILY ASSISTANCE PLAN.—

"(1) IN GENERAL.—Any Indian tribe that desires to receive a tribal family assistance grant shall submit to the Secretary a 3-year tribal family assistance plan that—

"(A) outlines the Indian tribe's approach to providing welfare-related services for the 3-year period, consistent with the purposes of this section;

"(B) specifies whether the welfare-related services provided under the plan will be provided by the Indian tribe or through agreements, contracts, or compacts with intertribal consortia, States, or other entities;

"(C) identifies the population and service area or areas to be served by such plan;

"(D) provides that a family receiving assistance under the plan may not receive duplicative assistance from other State or tribal programs funded under this part;

"(E) identifies the employment opportunities in or near the service area or areas of the Indian tribe and the manner in which the

Indian tribe will cooperate and participate in enhancing such opportunities for recipients of assistance under the plan consistent with any applicable State standards; and

"(F) applies the fiscal accountability provisions of section 5(f)(1) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450c(f)(1)), relating to the submission of a single-agency audit report required by chapter 75 of title 31, United States Code.

"(2) APPROVAL.—The Secretary shall approve each tribal family assistance plan submitted in accordance with paragraph (1).

"(3) CONSORTIUM OF TRIBES.—Nothing in this section shall preclude the development and submission of a single plan by the participating Indian tribes of an intertribal consortium.

"(d) MINIMUM WORK PARTICIPATION REQUIREMENTS AND TIME LIMITS.—The Secretary, with the participation of Indian tribes, shall establish for each Indian tribe receiving a grant under this section minimum work participation requirements, appropriate time limits for receipt of welfare-related services under such grant, and penalties against individuals—

"(1) consistent with the purposes of this section;

"(2) consistent with the economic conditions and resources available to each tribe; and

"(3) similar to comparable provisions in section 404(d).

"(e) EMERGENCY ASSISTANCE.—Nothing in this section shall preclude an Indian tribe from seeking emergency assistance from any Federal loan program or emergency fund.

"(f) ACCOUNTABILITY.—Nothing in this section shall be construed to limit the ability of the Secretary to maintain program funding accountability consistent with—

"(1) generally accepted accounting principles; and

"(2) the requirements of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.).

"(g) TRIBAL PENALTIES.—For the purpose of ensuring the proper use of tribal family assistance grants, the following provisions shall apply to an Indian tribe with an approved tribal assistance plan:

"(1) The provisions of subsections (a)(1), (a)(6), and (b) of section 407, in the same manner as such subsections apply to a State.

"(2) The provisions of section 407(a)(3), except that such subsection shall be applied by substituting 'the minimum requirements established under subsection (d) of section 414' for 'the minimum participation rates specified in section 404'.

"(h) DATA COLLECTION AND REPORTING.—For the purpose of ensuring uniformity in data collection, section 409 shall apply to an Indian tribe with an approved tribal family assistance plan.".

"SEC. 415. ASSISTANT SECRETARY FOR FAMILY SUPPORT.

"The programs under this part and part D of this title shall be administered by an Assistant Secretary for Family Support within the Department of Health and Human Services, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be in addition to any other Assistant Secretary of Health and Human Services provided for by law.

"SEC. 416. LIMITATION ON FEDERAL AUTHORITY.

"The Secretary of Health and Human Services and the Secretary of the Treasury may not regulate the conduct of States under this part or enforce any provision of this part, except to the extent expressly provided in this part.".

SEC. 102. SERVICES PROVIDED BY CHARITABLE, RELIGIOUS, OR PRIVATE ORGANIZATIONS.

(a) IN GENERAL.—Notwithstanding any other provision of law, a State is permitted to contract with charitable, religious, or private organizations to provide services and administer programs established or modified under this Act.

(b) RELIGIOUS ORGANIZATIONS.—The purpose of this section is to allow the participation of religious organizations which contract to provide services under this Act on the same basis as any other provider without impairing the religious character of such organizations, and without diminishing the religious freedom of beneficiaries of assistance funded under any program established or modified under this Act.

(c) NONDISCRIMINATION AGAINST RELIGIOUS ORGANIZATIONS.—Religious organizations are eligible as contractors to provide assistance under any program established or modified under this Act to needy families and children in accordance with this section. Neither the Federal Government nor a State receiving funds under such programs shall discriminate against an organization which is or applies to be a contractor to provide assistance on the basis that the organization has a religious character.

(d) RELIGIOUS CHARACTER AND FREEDOM.—

(1) RELIGIOUS ORGANIZATIONS.—Notwithstanding any other provision of law, any religious organization with a contract described in subsection (a) shall retain its independence from Federal, State, and local governments, including such organization's control over the definition, development, practice, and expression of its religious beliefs.

(2) ADDITIONAL SAFEGUARDS.—Neither the Federal Government nor a State shall require a religious organization contracting to provide assistance to—

(A) alter its form of internal governance, or form a separate, nonprofit corporation to receive and administer the assistance funded under this part; or

(B) remove religious art, icons, scripture, or other symbols;

in order to be eligible to be a provider of assistance funded under this part.

(e) NONDISCRIMINATION IN EMPLOYMENT.—

(1) IN GENERAL.—Except as provided in paragraph (2), nothing in this section shall be construed to modify or affect the provisions of any other Federal law or regulation that relates to discrimination in employment on the basis of religion.

(2) EXCEPTION.—A religious organization with a contract described in subsection (a) may require that employees rendering service pursuant to such contract adhere to the religious tenets and teachings of such organization, and such organization may require that employees adhere to rules forbidding the use of drugs or alcohol.

(f) NONDISCRIMINATION AGAINST BENEFICIARIES.—A religious organization shall not discriminate against needy families and children in regard to rendering assistance funded under any program established or modified under this Act on the basis of religion, a religious belief, or refusal to participate in a religious practice.

(g) FISCAL ACCOUNTABILITY.—

(1) IN GENERAL.—Except as provided in paragraph (2), any religious organization contracting to provide assistance funded under any program established or modified under this Act shall be subject to the same regulations as other contractors to account in accord with generally accepted auditing principles for the use of such funds provided under such programs.

(2) LIMITED AUDIT.—If such organization segregates Federal funds provided under such programs into separate accounts, then only the financial assistance provided with such funds shall be subject to audit.

(h) COMPLIANCE.—A religious organization which has its rights under this section violated may enforce its claim exclusively by asserting a civil action for such relief as may be appropriate, including injunctive relief or damages, in an appropriate State court against the entity or agency that allegedly commits such violation.

(i) RIGHTS OF BENEFICIARIES OF ASSISTANCE.—If a beneficiary has an objection to the religious character of the organization or institution from which the beneficiary is receiving assistance funded under any program established or modified under this Act, each State shall provide such beneficiary assistance from an alternative provider the value of which is not less than the value of the assistance which the individual would have received from the organization.

SEC. 103. LIMITATIONS ON USE OF FINANCIAL ASSISTANCE FOR CERTAIN PURPOSES.

No financial assistance provided under programs established or modified by this Act shall be expended for any sectarian purpose or activity, including sectarian worship or instruction.

SEC. 104. CONTINUED APPLICATION OF CURRENT STANDARDS UNDER MEDICAID PROGRAM.

(a) IN GENERAL.—Title XIX (42 U.S.C. 1396 et seq.) is amended—

(1) in section 1931, by inserting "subject to section 1931(a)," after "under this title," and by redesignating such section as section 1932; and

(2) by inserting after section 1930 the following new section:

"CONTINUED APPLICATION OF AFDC STANDARDS

"SEC. 1931. (a) For purposes of applying this title on and after October 1, 1995, with respect to a State—

"(1) except as provided in paragraph (2), any reference in this title (or other provision of law in relation to the operation of this title) to a provision of part A of title IV of this Act, or a State plan under such part, shall be considered a reference to such provision or plan as in effect as of June 1, 1995, with respect to the State and eligibility for medical assistance under this title shall be determined as if such provision or plan (as in effect as of such date) had remained in effect on and after October 1, 1995; and

"(2) any reference in section 1902(a)(5) or 1902(a)(55) to a State plan approved under part A of title IV shall be deemed a reference to a State program funded under such part (as in effect on and after October 1, 1995).

"(b) In the case of a waiver of a provision of part A of title IV in effect with respect to a State as of June 1, 1995, if the waiver affects eligibility of individuals for medical assistance under this title, such waiver may, at the option of the State, continue to be applied in relation to this title after the date the waiver would otherwise expire.".

(b) PLAN AMENDMENT.—Section 1902(a) (42 U.S.C. 1396a(a)) is amended—

(1) by striking "and" at the end of paragraph (61);

(2) by striking the period at the end of paragraph (62) and inserting "; and"; and

(3) by inserting after paragraph (62) the following new paragraph:

"(63) provide for continuing to administer eligibility standards with respect to individuals who are (or seek to be) eligible for medical assistance based on the application of section 1931.".

(c) CONFORMING AMENDMENTS.—(1) Section 1902(c) (42 U.S.C. 1396a(c)) is amended by striking "if—" and all that follows and inserting the following: "if the State requires individuals described in subsection (l)(1) to apply for assistance under the State program funded under part A of title IV as a condition of applying for or receiving medical assistance under this title.".

(2) Section 1903(i) (42 U.S.C. 1396b(i)) is amended by striking paragraph (9).

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to medical assistance furnished for calendar quarters beginning on or after October 1, 1995.

SEC. 105. REDUCTION IN PERSONNEL.

(a) IN GENERAL.—The Secretary of Health and Human Services shall take such actions as may be necessary, including reduction in force actions, consistent with sections 3502 and 3595 of title 5, United States Code, to ensure that at least 30 percent of the personnel in positions that relate to a covered activity are separated from service.

(b) DEFINITION OF COVERED ACTIVITY.—For purposes of this section, the term covered activity means an activity authorized to be carried out under part A or F of the Social Security Act (42 U.S.C. 601 et seq. and 682 et seq.) as such parts were in effect prior to the date of the enactment of this Act but does not include any position in an Office of Inspector General that relates to the auditing or investigation of a covered activity.

SEC. 106. CONFORMING AMENDMENTS TO THE SOCIAL SECURITY ACT.

(a) AMENDMENTS TO TITLE II.—

(1) Section 205(c)(2)(C)(vi) (42 U.S.C. 405(c)(2)(C)(vi)), as so redesignated by section 321(a)(9)(B) of the Social Security Independence and Program Improvements Act of 1994, is amended—

(A) by inserting "an agency administering a program funded under part A of title IV or" before "an agency operating"; and

(B) by striking "A or D of title IV of this Act" and inserting "D of such title".

(2) Section 228(d)(1) (42 U.S.C. 428(d)(1)) is amended by inserting "under a State program funded under" before "part A of title IV".

(b) AMENDMENT TO PART B OF TITLE IV.—Section 422(b)(2) (42 U.S.C. 622(b)(2)) is amended by striking "under the State plan approved" and inserting "under the State program funded.".

(c) AMENDMENTS TO PART D OF TITLE IV.—

(1) Section 451 (42 U.S.C. 651) is amended by striking "aid" and inserting "assistance under a State program funded".

(2) Section 452(a)(10)(C) (42 U.S.C. 652(a)(10)(C)) is amended—

(A) by striking "aid to families with dependent children" and inserting "assistance under a State program funded under part A";

(B) by striking "such aid" and inserting "such assistance"; and

(C) by striking "402(a)(26) or".

(3) Section 452(a)(10)(F) (42 U.S.C. 652(a)(10)(F)) is amended—

(A) by striking "aid under a State plan approved" and inserting "assistance under a State program funded"; and

(B) by striking "in accordance with the standards referred to in section 402(a)(26)(B)(ii)" and inserting "by the State".

(4) Section 452(b) (42 U.S.C. 652(b)) is amended in the first sentence by striking "aid under the State plan approved under part A" and inserting "assistance under a State program funded under part A".

(5) Section 452(d)(3)(B)(i) (42 U.S.C. 652(d)(3)(B)(i)) is amended by striking "1115(c)" and inserting "1115(b)".

(6) Section 452(g)(2)(A)(ii)(I) (42 U.S.C. 652(g)(2)(A)(ii)(I)) is amended by striking "aid is being paid under the State's plan approved under part A or E" and inserting "assistance is being provided under the State program funded under part A or aid is being paid under the State's plan approved under part E".

(7) Section 452(g)(2)(A) (42 U.S.C. 652(g)(2)(A)) is amended in the matter following clause (iii) by striking "aid was being paid under the State's plan approved under part A or E" and inserting "assistance was being provided under the State program funded under part A or aid was being paid under the State's plan approved under part E".

(8) Section 452(g)(2) (42 U.S.C. 652(g)(2)) is amended in the matter following subparagraph (B)—

(A) by striking "who is a dependent child by reason of the death of a parent" and inserting "with respect to whom assistance is being provided under the State program funded under part A";

(B) by inserting "by the State agency administering the State plan approved under this part" after "found"; and

(C) by striking "under section 402(a)(26)" and inserting "with the State in establishing paternity".

(9) Section 452(h) (42 U.S.C. 652(h)) is amended by striking "under section 402(a)(26)".

(10) Section 453(c)(3) (42 U.S.C. 653(c)(3)) is amended by striking "aid" and inserting "assistance under a State program funded".

(11) Section 454 (42 U.S.C. 654)) is amended—

(A) in paragraph (5)(A)—

(i) by striking "under section 402(a)(26)"; and

(ii) by striking "except that this paragraph shall not apply to such payments for any month following the first month in which the amount collected is sufficient to make such family ineligible for assistance under the State plan approved under part A;"; and

(B) in paragraph (6)(D), by striking "aid under a State plan approved" and inserting "assistance under a State program funded".

(12) Section 456 (42 U.S.C. 656) is amended—

(A) in subsection (a)(1), by striking "under section 402(a)(26)"; and

(B) by striking subsection (b) and inserting the following:

"(b) A debt which is a support obligation enforceable under this title is not released by a discharge in bankruptcy under title 11, United States Code.".

(13) Section 466(a)(3)(B) (42 U.S.C. 666(a)(3)(B)) is amended by striking "402(a)(26) or".

(14) Section 466(b)(2) (42 U.S.C. 666(b)(2)) is amended by striking "aid" and inserting "assistance under a State program funded".

(15) Section 469(a) (42 U.S.C. 669(a)) is amended—

(A) by striking "aid under plans approved" and inserting "assistance under State programs funded"; and

(B) by striking "such aid" and inserting "such assistance".

(d) AMENDMENTS TO PART E OF TITLE IV.—

(1) Section 470 (42 U.S.C. 670) is amended—

(A) by striking "would be" and inserting "would have been"; and

(B) by inserting "(as such plan was in effect on June 1, 1995)" after "part A".

(2) Section 471(17) (42 U.S.C. 671(17)) is amended by striking "plans approved under parts A and D" and inserting "program funded under part A and plan approved under part D".

(3) Section 472(a) (42 U.S.C. 672(a)) is amended—

(A) in the matter preceding paragraph (1)—

(i) by striking "would meet" and inserting "would have met";

(ii) by inserting "(as such sections were in effect on June 1, 1995)" after "407"; and

(iii) by inserting "(as so in effect)" after "406(a)"; and

(B) in paragraph (4)—

(i) in subparagraph (A)—

(I) by inserting "would have" after "(A)"; and

(II) by inserting "(as in effect on June 1, 1995)" after "section 402"; and

(ii) in subparagraph (B)(ii), by inserting "(as in effect on June 1, 1995)" after "406(a)".

(4) Section 472(h) (42 U.S.C. 672(h)) is amended to read as follows:

"(h)(1) For purposes of title XIX, any child with respect to whom foster care maintenance payments are made under this section shall be deemed to be a dependent child as defined in section 406 (as in effect as of June 1, 1995) and shall be deemed to be a recipient of aid to families with dependent children under part A of this title (as so in effect). For purposes of title XX, any child with respect to whom foster care maintenance payments are made under this section shall be deemed to be a minor child in a needy family under a State program funded under part A and shall be deemed to be a recipient of assistance under such part.

"(2) For purposes of paragraph (1), a child whose costs in a foster family home or child care institution are covered by the foster care maintenance payments being made with respect to the child's minor parent, as provided in section 475(4)(B), shall be considered a child with respect to whom foster care maintenance payments are made under this section.".

(5) Section 473(a)(2) (42 U.S.C. 673(a)(2)) is amended—

(A) in subparagraph (A)(i)—

(i) by inserting "(as such sections were in effect on June 1, 1995)" after "407";

(ii) by inserting "(as so in effect)" after "specified in section 406(a)"; and

(iii) by inserting "(as such section was in effect on June 1, 1995)" after "403";

(B) in subparagraph (B)(i)—

(i) by inserting "would have" after "(B)(i)"; and

(ii) by inserting "(as in effect on June 1, 1995)" after "section 402"; and

(C) in subparagraph (B)(ii)(II), by inserting "(as in effect on June 1, 1995)" after "406(a)".

(6) Section 473(b) (42 U.S.C. 673(b)) is amended to read as follows:

"(b)(1) For purposes of title XIX, any child who is described in paragraph (3) shall be deemed to be a dependent child as defined in section 406 (as in effect as of June 1, 1995) and shall be deemed to be a recipient of aid to families with dependent children under part A of this title (as so in effect) in the State where such child resides.

"(2) For purposes of title XX, any child who is described in paragraph (3) shall be deemed to be a minor child in a needy family under a State program funded under part A and shall be deemed to be a recipient of assistance under such part.

"(3) A child described in this paragraph is any child—

"(A)(i) who is a child described in subsection (a)(2), and

"(ii) with respect to whom an adoption assistance agreement is in effect under this section (whether or nor adoption assistance payments are provided under the agreement or are being made under this section), including any such child who has been placed

for adoption in accordance with applicable State and local law (whether or not an interlocutory or other judicial decree of adoption has been issued), or

"(B) with respect to whom foster care maintenance payments are being made under section 472.

"(4) For purposes of paragraphs (1) and (2), a child whose costs in a foster family home or child-care institution are covered by the foster care maintenance payments being made with respect to the child's minor parent, as provided in section 475(4)(B), shall be considered a child with respect to whom foster care maintenance payments are being made under section 472.".

(7) Section 474 (42 U.S.C. 674) is amended by adding at the end the following new subsection:

"(d) Notwithstanding any other provision of this part, a State may not receive payment under this section with respect to an individual receiving assistance under this part as a result of such individual's eligibility under the State plan approved under part A (as in effect on June 1, 1995) unless such individual would also be eligible to receive assistance under the State program operated under part A as such plan is in effect on and after October 1, 1995.".

(e) AMENDMENT TO TITLE X.—Section 1002(a)(7) (42 U.S.C. 1202(a)(7)) is amended by striking "aid to families with dependent children under the State plan approved under section 402 of this Act" and inserting "assistance under a State program funded under part A of title IV".

(f) AMENDMENTS TO TITLE XI.—

(1) Section 1109 (42 U.S.C. 1309) is amended by striking "or part A of title IV,".

(2) Section 1115 (42 U.S.C. 1315) is amended—

(A) in subsection (a)(2)—

(i) by inserting "(A)" after "(2)";

(ii) by striking "403,";

(iii) by striking the period at the end and inserting ", and"; and

(iv) by adding at the end the following new subparagraph:

"(B) costs of such project which would not otherwise be a permissible use of funds under part A of title IV and which are not included as part of the costs of projects under section 1110, shall to the extent and for the period prescribed by the Secretary, be regarded as a permissible use of funds under such part."; and

(B) in subsection (c)(3), by striking "under the program of aid to families with dependent children" and inserting "part A of such title".

(3) Section 1116 (42 U.S.C. 1316) is amended—

(A) in each of subsections (a)(1), (b), and (d), by striking "or part A of title IV,"; and

(B) in subsection (a)(3), by striking "404,".

(4) Section 1118 (42 U.S.C. 1318) is amended—

(A) by striking "403(a),";

(B) by striking "and part A of title IV,"; and

(C) by striking ", and shall, in the case of American Samoa, mean 75 per centum with respect to part A of title IV".

(5) Section 1119 (42 U.S.C. 1319) is amended—

(A) by striking "or part A of title IV"; and

(B) by striking "403(a),".

(6) Section 1133(a) (42 U.S.C. 1320b-3(a)) is amended by striking "or part A of title IV,".

(7) Section 1136 (42 U.S.C. 1320b-6) is repealed.

(8) Section 1137 (42 U.S.C. 1320b-7) is amended—

(A) in subsection (b), by striking paragraph (1) and inserting the following:

"(1) any State program funded under part A of title IV of this Act;"; and

(B) in subsection (d)(1)(B)—

(i) by striking "In this subsection—" and all that follows through "(ii) in" and inserting "In this subsection, in";

(ii) by redesignating subclauses (I), (II), and (III) as clauses (i), (ii), and (iii); and

(iii) by moving such redesignated material 2 ems to the left.

(9) Section 1108 (42 U.S.C. 1308) is amended—

(A) in subsection (a)—

(i) in the matter preceding paragraph (1)—

(I) by inserting "(or paid, in the case of part A of title IV); and

(II) by striking "or, in the case of" and all that follows through "section 403(k)";

(ii) in paragraph (1)—

(I) in subparagraph (F), by striking "or";

(II) in subparagraph (G), by striking "the fiscal year 1989 and each fiscal year thereafter;" and inserting "each of the fiscal years 1989 through 1995, or"; and

(III) by inserting after subparagraph (G), the following new subparagraph:

"(H) $92,250,000 with respect to fiscal year 1996 and each fiscal year thereafter;";

(iii) in paragraph (2)—

(I) in subparagraph (F), by striking "or";

(II) in subparagraph (G), by striking "the fiscal year 1989 and each fiscal year thereafter;" and inserting "each of the fiscal years 1989 through 1995, or"; and

(III) by inserting after subparagraph (G), the following new subparagraph:

"(H) $3,150,000 with respect to fiscal year 1996 and each fiscal year thereafter;"; and

(iv) in paragraph (3)—

(I) in subparagraph (F), by striking "or";

(II) in subparagraph (G), by striking "the fiscal year 1989 and each fiscal year thereafter." and inserting "each of the fiscal years 1989 through 1995, or"; and

(III) by inserting after subparagraph (G), the following new subparagraph:

"(H) $4,275,000 with respect to fiscal year 1996 and each fiscal year thereafter."; and

(B) in subsection (d), by striking "(exclusive of any amounts" and all that follows through "section 403(k) applies)".

(g) AMENDMENT TO TITLE XIV.—Section 1402(a)(7) (42 U.S.C. 1352(a)(7)) is amended by striking "aid to families with dependent children under the State plan approved under section 402 of this Act" and inserting "assistance under a State program funded under part A of title IV".

(h) AMENDMENT TO TITLE XVI AS IN EFFECT WITH RESPECT TO THE TERRITORIES.—Section 1602(a)(11), as in effect without regard to the amendment made by section 301 of the Social Security Amendments of 1972 (42 U.S.C. 1382 note), is amended by striking "aid under the State plan approved" and inserting "assistance under a State program funded".

(i) AMENDMENT TO TITLE XVI AS IN EFFECT WITH RESPECT TO THE STATES.—Section 1611(c)(5)(A) (42 U.S.C. 1382(c)(5)(A)) is amended to read as follows: "(A) a State program funded under part A of title IV,".

SEC. 107. CONFORMING AMENDMENTS TO THE FOOD STAMP ACT OF 1977 AND RELATED PROVISIONS.

(a) Section 5 of the Food Stamp Act of 1977 (7 U.S.C. 2014) is amended—

(1) in the second sentence of subsection (a), by striking "plan approved" and all that follows through "title IV of the Social Security Act" and inserting "program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995";

(2) in subsection (d)(5)—

(A) by striking "assistance to families with dependent children" and inserting "assistance under a State program funded"; and

(B) by striking paragraph (13) and redesignating paragraphs (14), (15), and (16) as paragraphs (13), (14), and (15), respectively;

(3) in subsection (j), by striking "plan approved under part A of title IV of such Act (42 U.S.C. 601 et seq.)" and inserting "program funded under part A of title IV of the Act (42 U.S.C. 601 et seq.) that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995".

(b) Section 6 of such Act (7 U.S.C. 2015) is amended—

(1) in subsection (c)(5), by striking "the State plan approved" and inserting "the State program funded";

(2) in subsection (e)—

(A) by striking "aid to families with dependent children" and inserting "benefits under a State program funded"; and

(B) by inserting before the semicolon the following: "that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995"; and

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

"(i) Notwithstanding any other provision of this Act, a household may not receive benefits under this Act as a result of the household's eligibility under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), unless the Secretary determines that any household with income above 130 percent of the poverty guidelines is not eligible for the program.".

(c) Section 16(g)(4) of such Act (7 U.S.C. 2025(g)(4)) is amended by striking "State plans under the Aid to Families with Dependent Children Program under" and inserting "State programs funded under part A of".

(d) Section 17 of such Act (7 U.S.C. 2026) is amended—

(1) in the first sentence of subsection (b)(1)(A), by striking "to aid to families with dependent children under part A of title IV of the Social Security Act" and inserting "or are receiving assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)"; and

(2) in subsection (b)(3), by adding at the end the following new subparagraph:

"(I) The Secretary may not grant a waiver under this paragraph on or after October 1, 1995. Any reference in this paragraph to a provision of title IV of the Social Security Act shall be deemed to be a reference to such provision as in effect on September 30, 1995.";

(e) Section 20 of such Act (7 U.S.C. 2029) is amended—

(1) in subsection (a)(2)(B) by striking "operating—" and all that follows through "(ii) any other" and inserting "operating any"; and

(2) in subsection (b)—

(A) in paragraph (1)—

(i) by striking "(b)(1) A household" and inserting "(b) A household"; and

(ii) in subparagraph (B), by striking "training program" and inserting "activity";

(B) by striking paragraph (2); and

(C) by redesignating subparagraphs (A) through (F) as paragraphs (1) through (6), respectively.

(f) Section 5(h)(1) of the Agriculture and Consumer Protection Act of 1973 (Public Law 93–186; 7 U.S.C. 612c note) is amended by striking "the program for aid to families with dependent children" and inserting "the State program funded".

(g) Section 9 of the National School Lunch Act (42 U.S.C. 1758) is amended—

(1) in subsection (b)—

(A) in paragraph (2)(C)(ii)(II)—

(i) by striking "program for aid to families with dependent children" and inserting "State program funded"; and

(ii) by inserting before the period at the end the following: "that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995"; and

(B) in paragraph (6)—

(i) in subparagraph (A)(ii)—

(I) by striking "an AFDC assistance unit (under the aid to families with dependent children program authorized" and inserting "a family (under the State program funded"; and

(II) by striking ", in a State" and all that follows through "9902(2)))" and inserting "that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995"; and

(ii) in subparagraph (B), by striking "aid to families with dependent children" and inserting "assistance under the State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995"; and

(2) in subsection (d)(2)(C)—

(A) by striking "program for aid to families with dependent children" and inserting "State program funded"; and

(B) by inserting before the period at the end the following: "that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995".

(h) Section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) is amended—

(1) in subsection (d)(2)(A)(ii)(II)—

(A) by striking "program for aid to families with dependent children established" and inserting "State program funded"; and

(B) by inserting before the semicolon the following: "that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995";

(2) in subsection (e)(4)(A), by striking "program for aid to families with dependent children" and inserting "State program funded"; and

(3) in subsection (f)(1)(C)(iii), by striking "aid to families with dependent children," and inserting "State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) and with the".

SEC. 108. CONFORMING AMENDMENTS TO OTHER LAWS.

(a) Subsection (b) of section 508 of the Unemployment Compensation Amendments of 1976 (Public Law 94–566; 90 Stat. 2689) is amended to read as follows:

"(b) PROVISION FOR REIMBURSEMENT OF EXPENSES.—For purposes of section 455 of the Social Security Act, expenses incurred to reimburse State employment offices for furnishing information requested of such offices—

"(1) pursuant to the third sentence of section 3(a) of the Act entitled 'An Act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes', approved June 6, 1933 (29 U.S.C. 49b(a)), or

"(2) by a State or local agency charged with the duty of carrying a State plan for child support approved under part D of title IV of the Social Security Act,

shall be considered to constitute expenses incurred in the administration of such State plan.".

(b) Section 9121 of the Omnibus Budget Reconciliation Act of 1987 (42 U.S.C. 602 note) is repealed.

(c) Section 9122 of the Omnibus Budget Reconciliation Act of 1987 (42 U.S.C. 602 note) is repealed.

(d) Section 221 of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 602 note), relating to treatment under AFDC of certain rental payments for federally assisted housing, is repealed.

(e) Section 159 of the Tax Equity and Fiscal Responsibility Act of 1982 (42 U.S.C. 602 note) is repealed.

(f) Section 202(d) of the Social Security Amendments of 1967 (81 Stat. 882; 42 U.S.C. 602 note) is repealed.

(g) Section 233 of the Social Security Act Amendments of 1994 (42 U.S.C. 602 note) is repealed.

(h) Section 903 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (42 U.S.C. 11381 note), relating to demonstration projects to reduce number of AFDC families in welfare hotels, is amended—

(1) in subsection (a), by striking "aid to families with dependent children under a State plan approved" and inserting "assistance under a State program funded"; and

(2) in subsection (c), by striking "aid to families with dependent children in the State under a State plan approved" and inserting "assistance in the State under a State program funded".

(i) The Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) is amended—

(1) in section 404C(c)(3) (20 U.S.C. 1070a–23(c)(3)), by striking "(Aid to Families with Dependent Children)"; and

(2) in section 480(b)(2) (20 U.S.C. 1087vv(b)(2)), by striking "aid to families with dependent children under a State plan approved" and inserting "assistance under a State program funded".

(j) The Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.) is amended—

(1) in section 231(d)(3)(A)(ii) (20 U.S.C. 2341(d)(3)(A)(ii)), by striking "the program for aid to dependent children" and inserting "the State program funded";

(2) in section 232(b)(2)(B) (20 U.S.C. 2341a(b)(2)(B)), by striking "the program for aid to families with dependent children" and inserting "the State program funded"; and

(3) in section 521(14)(B)(iii) (20 U.S.C. 2471(14)(B)(iii)), by striking "the program for aid to families with dependent children" and inserting "the State program funded".

(k) The Elementary and Secondary Education Act of 1965 (20 U.S.C. 2701 et seq.) is amended—

(1) in section 1113(a)(5) (20 U.S.C. 6313(a)(5)), by striking "Aid to Families with Dependent Children Program" and inserting "State program funded under part A of title IV of the Social Security Act";

(2) in section 1124(c)(5) (20 U.S.C. 6333(c)(5)), by striking "the program of aid to families with dependent children under a State plan approved under" and inserting "a State program funded under part A of"; and

(3) in section 5203(b)(2) (20 U.S.C. 7233(b)(2))—

(A) in subparagraph (A)(xi), by striking "Aid to Families with Dependent Children benefits" and inserting "assistance under a State program funded under part A of title IV of the Social Security Act"; and

(B) in subparagraph (B)(viii), by striking "Aid to Families with Dependent Children" and inserting "assistance under the State program funded under part A of title IV of the Social Security Act".

(l) Chapter VII of title I of Public Law 99–88 (25 U.S.C. 13d–1) is amended to read as follows: "*Provided further*, That general assistance payments made by the Bureau of Indian Affairs shall be made—

"(1) after April 29, 1985, and before October 1, 1995, on the basis of Aid to Families with Dependent Children (AFDC) standards of need; and

"(2) on and after October 1, 1995, on the basis of standards of need established under the State program funded under part A of title IV of the Social Security Act,

except that where a State ratably reduces its AFDC or State program payments, the Bureau shall reduce general assistance payments in such State by the same percentage as the State has reduced the AFDC or State program payment.".

(m) The Internal Revenue Code of 1986 (26 U.S.C. 1 et seq.) is amended—

(1) in section 51(d)(9) (26 U.S.C. 51(d)(9)), by striking all that follows "agency as" and inserting "being eligible for financial assistance under part A of title IV of the Social Security Act and as having continually received such financial assistance during the 90-day period which immediately precedes the date on which such individual is hired by the employer.";

(2) in section 3304(a)(16) (26 U.S.C. 3304(a)(16)), by striking "eligibility for aid or services," and all that follows through "children approved" and inserting "eligibility for assistance, or the amount of such assistance, under a State program funded";

(3) in section 6103(l)(7)(D)(i) (26 U.S.C. 6103(l)(7)(D)(i)), by striking "aid to families with dependent children provided under a State plan approved" and inserting "a State program funded";

(4) in section 6334(a)(11)(A) (26 U.S.C. 6334(a)(11)(A)), by striking "(relating to aid to families with dependent children)"; and

(5) in section 7523(b)(3)(C) (26 U.S.C. 7523(b)(3)(C)), by striking "aid to families with dependent children" and inserting "assistance under a State program funded under part A of title IV of the Social Security Act".

(n) Section 3(b) of the Wagner-Peyser Act (29 U.S.C. 49b(b)) is amended by striking "State plan approved under part A of title IV" and inserting "State program funded under part A of title IV".

(o) The Job Training Partnership Act (29 U.S.C. 1501 et seq.) is amended—

(1) in section 4(29)(A)(i) (29 U.S.C. 1503(29)(A)(i)), by striking "(42 U.S.C. 601 et seq.)";

(2) in section 106(b)(6)(C) (29 U.S.C. 1516(b)(6)(C)), by striking "State aid to families with dependent children records," and inserting "records collected under the State program funded under part A of title IV of the Social Security Act,";

(3) in section 121(b)(2) (29 U.S.C. 1531(b)(2))—

(A) by striking "the JOBS program" and inserting "the work activities required under title IV of the Social Security Act"; and

(B) by striking the second sentence;

(4) in section 123(c) (29 U.S.C. 1533(c))—

(A) in paragraph (1)(E), by repealing clause (vi); and

(B) in paragraph (2)(D), by repealing clause (v);

(5) in section 203(b)(3) (29 U.S.C. 1603(b)(3)), by striking ", including recipients under the JOBS program";

(6) in subparagraphs (A) and (B) of section 204(a)(1) (29 U.S.C. 1604(a)(1) (A) and (B)), by striking "(such as the JOBS program)" each place it appears;

(7) in section 205(a) (29 U.S.C. 1605(a)), by striking paragraph (4) and inserting the following:

"(4) the portions of title IV of the Social Security Act relating to work activities;";

(8) in section 253 (29 U.S.C. 1632)—

(A) in subsection (b)(2), by repealing subparagraph (C); and

(B) in paragraphs (1)(B) and (2)(B) of subsection (c), by striking "the JOBS program or" each place it appears;

(9) in section 264 (29 U.S.C. 1644)—

(A) in subparagraphs (A) and (B) of subsection (b)(1), by striking "(such as the JOBS program)" each place it appears; and

(B) in subparagraphs (A) and (B) of subsection (d)(3), by striking "and the JOBS program" each place it appears;

(10) in section 265(b) (29 U.S.C. 1645(b)), by striking paragraph (6) and inserting the following:

"(6) the portion of title IV of the Social Security Act relating to work activities;";

(11) in the second sentence of section 429(e) (29 U.S.C. 1699(e)), by striking "and shall be in an amount that does not exceed the maximum amount that may be provided by the State pursuant to section 402(g)(1)(C) of the Social Security Act (42 U.S.C. 602(g)(1)(C))";

(12) in section 454(c) (29 U.S.C. 1734(c)), by striking "JOBS and";

(13) in section 455(b) (29 U.S.C. 1735(b)), by striking "the JOBS program,";

(14) in section 501(1) (29 U.S.C. 1791(1)), by striking "aid to families with dependent children under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)" and inserting "assistance under the State program funded under part A of title IV of the Social Security Act";

(15) in section 506(1)(A) (29 U.S.C. 1791e(1)(A)), by striking "aid to families with dependent children" and inserting "assistance under the State program funded";

(16) in section 508(a)(2)(A) (29 U.S.C. 1791g(a)(2)(A)), by striking "aid to families with dependent children" and inserting "assistance under the State program funded"; and

(17) in section 701(b)(2)(A) (29 U.S.C. 1792(b)(2)(A))—

(A) in clause (v), by striking the semicolon and inserting "; and"; and

(B) by striking clause (vi).

(p) Section 3803(c)(2)(C)(iv) of title 31, United States Code, is amended to read as follows:

"(iv) assistance under a State program funded under part A of title IV of the Social Security Act".

(q) Section 2605(b)(2)(A)(i) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8624(b)(2)(A)(i)) is amended to read as follows:

"(i) assistance under the State program funded under part A of title IV of the Social Security Act;".

(r) Section 303(f)(2) of the Family Support Act of 1988 (42 U.S.C. 602 note) is amended—

(1) by striking "(A)"; and

(2) by striking subparagraphs (B) and (C).

(s) The Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.)) is amended—

(1) in section 255(h) (2 U.S.C. 905(h), by striking "Aid to families with dependent children (75-0412-0-1-609);" and inserting "Block grants to States for temporary assistance for needy families;"; and

(2) in section 256 (2 U.S.C. 906)—

(A) by striking subsection (k); and

(B) by redesignating subsection (l) as subsection (k).

(t) The Immigration and Nationality Act (8 U.S.C. 1101 et seq.) is amended—

(1) in section 210(f) (8 U.S.C. 1160(f)), by striking "aid under a State plan approved under" each place it appears and inserting "assistance under a State program funded under";

(2) in section 245A(h) (8 U.S.C. 1255a(h))—

(A) in paragraph (1)(A)(i), by striking "program of aid to families with dependent children" and inserting "State program of assistance"; and

(B) in paragraph (2)(B), by striking "aid to families with dependent children" and inserting "assistance under a State program funded under part A of title IV of the Social Security Act"; and

(3) in section 412(e)(4) (8 U.S.C. 1522(e)(4)), by striking "State plan approved" and inserting "State program funded".

(u) Section 640(a)(4)(B)(i) of the Head Start Act (42 U.S.C. 9835(a)(4)(B)(i)) is amended by striking "program of aid to families with dependent children under a State plan approved" and inserting "State program of assistance funded".

(v) Section 9 of the Act of April 19, 1950 (64 Stat. 47, chapter 92; 25 U.S.C. 639) is repealed.

(w) Subparagraph (E) of section 213(d)(6) of the School-To-Work Opportunities Act of 1994 (20 U.S.C. 6143(d)(6)) is amended to read as follows:

"(E) part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) relating to work activities;".

SEC. 109. SECRETARIAL SUBMISSION OF LEGISLATIVE PROPOSAL FOR TECHNICAL AND CONFORMING AMENDMENTS.

Not later than 90 days after the date of the enactment of this Act, the Secretary of Health and Human Services, in consultation, as appropriate, with the heads of other Federal agencies, shall submit to the appropriate committees of Congress a legislative proposal providing for such technical and conforming amendments in the law as are required by the provisions of this Act.

SEC. 110. EFFECTIVE DATE; TRANSITION RULE.

(a) IN GENERAL.—Except as otherwise provided in this title, this title and the amendments made by this title shall take effect on October 1, 1995.

(b) TRANSITION RULE.—

(1) STATE OPTION TO CONTINUE AFDC PROGRAM.—

(A) 6-MONTH EXTENSION.—A State may continue a State program under parts A and F of title IV of the Social Security Act, as in effect on September 30, 1995 (for purposes of this paragraph, the "State AFDC program") until March 31, 1996.

(B) REDUCTION OF FISCAL YEAR 1996 GRANT.—In the case of any State opting to continue the State AFDC program pursuant to subparagraph (A), the State family assistance grant paid to such State under section 403(a) of the Social Security Act (as added by section 101 and as in effect on and after October 1, 1995) for fiscal year 1996 (after the termination of the State AFDC program) shall be reduced by an amount equal to the total Federal payment to such State under section 403 of the Social Security Act (as in effect on September 30, 1995) for such fiscal year.

(2) CLAIMS, ACTIONS, AND PROCEEDINGS.—The amendments made by this title shall not apply with respect to—

(A) powers, duties, functions, rights, claims, penalties, or obligations applicable to aid, assistance, or services provided before the effective date of this title under the provisions amended; and

(B) administrative actions and proceedings commenced before such date, or authorized before such date to be commenced, under such provisions.

(c) SUNSET.—The amendment made by section 101(b) shall be effective only during the 5-year period beginning on October 1, 1995.

TITLE II—SUPPLEMENTAL SECURITY INCOME

Subtitle A—Eligibility Restrictions

SEC. 201. DENIAL OF SUPPLEMENTAL SECURITY INCOME BENEFITS BY REASON OF DISABILITY TO DRUG ADDICTS AND ALCOHOLICS.

(a) IN GENERAL.—Section 1614(a)(3) (42 U.S.C. 1382c(a)(3)) is amended by adding at the end the following:

"(I) Notwithstanding subparagraph (A), an individual shall not be considered to be disabled for purposes of this title if alcoholism or drug addiction would (but for this subparagraph) be a contributing factor material to the Commissioner's determination that the individual is disabled.".

(b) REPRESENTATIVE PAYEE REQUIREMENTS.—

(1) Section 1631(a)(2)(A)(ii)(II) (42 U.S.C. 1383(a)(2)(A)(ii)(II)) is amended to read as follows:

"(II) In the case of an individual eligible for benefits under this title by reason of disability, if such individual also has an alcoholism or drug addiction condition (as determined by the Commissioner of Social Security), the payment of such benefits to a representative payee shall be deemed to serve the interest of the individual. In any case in which such payment is so deemed under this subclause to serve the interest of an individual, the Commissioner shall include, in the individual's notification of such eligibility, a notice that such alcoholism or drug addiction condition accompanies the disability upon which such eligibility is based and that the Commissioner is therefore required to pay the individual's benefits to a representative payee.".

(2) Section 1631(a)(2)(B)(vii) (42 U.S.C. 1383(a)(2)(B)(vii)) is amended by striking "eligible for benefits" and all that follows through "is disabled" and inserting "described in subparagraph (A)(ii)(II)".

(3) Section 1631(a)(2)(B)(ix)(II) (42 U.S.C. 1383(a)(2)(B)(ix)(II)) is amended by striking all that follows "15 years, or" and inserting "described in subparagraph (A)(ii)(II)".

(4) Section 1631(a)(2)(D)(i)(II) (42 U.S.C. 1383(a)(2)(D)(i)(II)) is amended by striking "eligible for benefits" and all that follows through "is disabled" and inserting "described in subparagraph (A)(ii)(II)".

(c) CONFORMING AMENDMENTS.—

(1) Section 1611(e) (42 U.S.C. 1382(e)) is amended by striking paragraph (3).

(2) Section 1634 (42 U.S.C. 1383c) is amended by striking subsection (e).

(3) Section 201(c)(1) of the Social Security Independence and Program Improvements Act of 1994 (42 U.S.C. 425 note) is amended—

(A) by striking "—" and all that follows through "(A)" the 1st place it appears;

(B) by striking "and" the 3rd place it appears;

(C) by striking subparagraph (B);

(D) by striking "either subparagraph (A) or subparagraph (B)" and inserting "the preceding sentence"; and

(E) by striking "subparagraph (A) or (B)" and inserting "the preceding sentence".

SEC. 202. LIMITED ELIGIBILITY OF NONCITIZENS FOR SSI BENEFITS.

Paragraph (1) of section 1614(a) (42 U.S.C. 1382c(a)) is amended—

(1) in subparagraph (B)(i), by striking "either" and all that follows through ", or" and inserting "(I) a citizen; (II) a noncitizen who is granted asylum under section 208 of the Immigration and Nationality Act or whose deportation has been withheld under section 243(h) of such Act for a period of not more than 5 years after the date of arrival into the United States; (III) a noncitizen who is admitted to the United States as a refugee under section 207 of such Act for not more than such 5-year period; (IV) a noncitizen, lawfully present in any State (or any territory or possession of the United States), who is a veteran (as defined in section 101 of title 38, United States Code) with a discharge characterized as an honorable discharge and not on account of alienage or who is the spouse or unmarried dependent child of such veteran; or (V) a noncitizen who has worked sufficient calendar quarters of coverage to be a fully insured individual for benefits under title II, or"; and

(2) by adding at the end the following new flush sentence:

"For purposes of subparagraph (B)(i)(IV), the determination of whether a noncitizen is lawfully present in the United States shall be made in accordance with regulations of the Attorney General. A noncitizen shall not be considered to be lawfully present in the United States for purposes of this title merely because the noncitizen may be considered to be permanently residing in the United States under color of law for purposes of any particular program.".

SEC. 203. DENIAL OF SSI BENEFITS FOR 10 YEARS TO INDIVIDUALS FOUND TO HAVE FRAUDULENTLY MISREPRESENTED RESIDENCE IN ORDER TO OBTAIN BENEFITS SIMULTANEOUSLY IN 2 OR MORE STATES.

Section 1614(a) (42 U.S.C. 1382c(a)) is amended by adding at the end the following new paragraph:

"(5) An individual shall not be considered an eligible individual for purposes of this title during the 10-year period beginning on the date the individual is convicted in Federal or State court of having made a fraudulent statement or representation with respect to the place of residence of the individual in order to receive assistance simultaneously from 2 or more States under programs that are funded under part A of title IV, title XIX, or the Food Stamp Act of 1977, or benefits in 2 or more States under the supplemental security income program under title XVI.".

SEC. 204. DENIAL OF SSI BENEFITS FOR FUGITIVE FELONS AND PROBATION AND PAROLE VIOLATORS.

(a) IN GENERAL.—Section 1611(e) (42 U.S.C. 1382(e)), as amended by section 201(c)(1), is amended by inserting after paragraph (2) the following new paragraph:

"(3) A person shall not be an eligible individual or eligible spouse for purposes of this title with respect to any month if during such month the person is—

"(A) fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the person flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the person flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

"(B) violating a condition of probation or parole imposed under Federal or State law.".

(b) EXCHANGE OF INFORMATION WITH LAW ENFORCEMENT AGENCIES.—Section 1631(e) (42 U.S.C. 1383(e)) is amended by inserting after paragraph (3) the following new paragraph:

"(4) Notwithstanding any other provision of law, the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the request of the officer, with the current address of any recipient of benefits under this title, if the officer furnishes the agency with the name of the recipient and notifies the agency that—

"(A) the recipient—

"(i) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the person flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the person flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State;

"(ii) is violating a condition of probation or parole imposed under Federal or State law; or

"(iii) has information that is necessary for the officer to conduct the officer's official duties; and

"(B) the location or apprehension of the recipient is within the officer's official duties.".

SEC. 205. EFFECTIVE DATES; APPLICATION TO CURRENT RECIPIENTS.

(a) SECTIONS 201 AND 202.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), the amendments made by sections 201 and 202 shall apply to applicants for benefits for months beginning on or after the date of the enactment of this Act, without regard to whether regulations have been issued to implement such amendments.

(2) APPLICATION TO CURRENT RECIPIENTS.—

(A) APPLICATION AND NOTICE.—Notwithstanding any other provision of law, in the case of an individual who is receiving supplemental security income benefits under title XVI of the Social Security Act as of the date of the enactment of this Act and whose eligibility for such benefits would terminate by reason of the amendments made by section 201 or 202, such amendments shall apply with respect to the benefits of such individual for months beginning on or after January 1, 1997, and the Commissioner of Social Security shall so notify the individual not later than 90 days after the date of the enactment of this Act.

(B) REAPPLICATION.—

(i) IN GENERAL.—Not later than 120 days after the date of the enactment of this Act, each individual notified pursuant to subparagraph (A) who desires to reapply for benefits under title XVI of the Social Security Act, as amended by this title, shall reapply to the Commissioner of Social Security.

(ii) DETERMINATION OF ELIGIBILITY.—Not later than 1 year after the date of the enactment of this Act, the Commissioner of Social Security shall determine the eligibility of each individual who reapplies for benefits under clause (i) pursuant to the procedures of such title.

(3) ADDITIONAL APPLICATION OF PAYEE REPRESENTATIVE REQUIREMENTS.—The amendments made by section 201(b) shall also apply—

(A) in the case of any individual who is receiving supplemental security income benefits under title XVI of the Social Security Act as of the date of the enactment of this Act, on and after the date of such individual's first continuing disability review occurring after such date of enactment, and

(B) in the case of any individual who receives supplemental security income benefits under title XVI of the Social Security Act and has attained age 65, in such manner as determined appropriate by the Commissioner of Social Security.

(b) OTHER AMENDMENTS.—The amendments made by sections 203 and 204 shall take effect on the date of the enactment of this Act.

Subtitle B—Benefits for Disabled Children

SEC. 211. DEFINITION AND ELIGIBILITY RULES.

(a) DEFINITION OF CHILDHOOD DISABILITY.—Section 1614(a)(3) (42 U.S.C. 1382c(a)(3)), as amended by section 201(a), is amended—

(1) in subparagraph (A), by striking "An individual" and inserting "Except as provided in subparagraph (C), an individual";

(2) in subparagraph (A), by striking "(or, in the case of an individual under the age of 18, if he suffers from any medically determinable physical or mental impairment of comparable severity)";

(3) by redesignating subparagraphs (C) through (I) as subparagraphs (D) through (J), respectively;

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

"(C) An individual under the age of 18 shall be considered disabled for the purposes of this title if that individual has a medically determinable physical or mental impairment, which results in marked and severe functional limitations, and which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months."; and

(5) in subparagraph (F), as redesignated by paragraph (3), by striking "(D)" and inserting "(E)".

(b) CHANGES TO CHILDHOOD SSI REGULATIONS.—

(1) MODIFICATION TO MEDICAL CRITERIA FOR EVALUATION OF MENTAL AND EMOTIONAL DISORDERS.—The Commissioner of Social Security shall modify sections 112.00C.2. and 112.02B.2.c.(2) of appendix 1 to subpart P of part 404 of title 20, Code of Federal Regulations, to eliminate references to maladaptive behavior in the domain of personal/behavorial function.

(2) DISCONTINUANCE OF INDIVIDUALIZED FUNCTIONAL ASSESSMENT.—The Commissioner of Social Security shall discontinue the individualized functional assessment for children set forth in sections 416.924d and 416.924e of title 20, Code of Federal Regulations.

(c) EFFECTIVE DATE; REGULATIONS; APPLICATION TO CURRENT RECIPIENTS.—

(1) IN GENERAL.—The amendments made by subsections (a) and (b) shall apply to applicants for benefits for months beginning on or after the date of the enactment of this Act, without regard to whether regulations have been issued to implement such amendments.

(2) REGULATIONS.—The Commissioner of Social Security shall issue such regulations as the Commissioner determines to be necessary to implement the amendments made

by subsections (a) and (b) not later than 60 days after the date of the enactment of this Act.

(3) APPLICATION TO CURRENT RECIPIENTS.—

(A) ELIGIBILITY DETERMINATIONS.—Not later than 1 year after the date of the enactment of this Act, the Commissioner of Social Security shall redetermine the eligibility of any individual under age 18 who is receiving supplemental security income benefits based on a disability under title XVI of the Social Security Act as of the date of the enactment of this Act and whose eligibility for such benefits may terminate by reason of the amendments made by subsection (a) or (b). With respect to any redetermination under this subparagraph—

(i) section 1614(a)(4) of the Social Security Act (42 U.S.C. 1382c(a)(4)) shall not apply;

(ii) the Commissioner of Social Security shall apply the eligibility criteria for new applicants for benefits under title XVI of such Act;

(iii) the Commissioner shall give such redetermination priority over all continuing eligibility reviews and other reviews under such title; and

(iv) such redetermination shall be counted as a review or redetermination otherwise required to be made under section 208 of the Social Security Independence and Program Improvements Act of 1994 or any other provision of title XVI of the Social Security Act.

(B) GRANDFATHER PROVISION.—The amendments made by subsections (a) and (b), and the redetermination under subparagraph (A), shall only apply with respect to the benefits of an individual described in subparagraph (A) for months beginning on or after January 1, 1997.

(C) NOTICE.—Not later than 90 days after the date of the enactment of this Act, the Commissioner of Social Security shall notify an individual described in subparagraph (A) of the provisions of this paragraph.

SEC. 212. ELIGIBILITY REDETERMINATIONS AND CONTINUING DISABILITY REVIEWS.

(a) CONTINUING DISABILITY REVIEWS RELATING TO CERTAIN CHILDREN.—Section 1614(a)(3)(H) (42 U.S.C. 1382c(a)(3)(H)), as redesignated by section 211(a)(3), is amended—

(1) by inserting "(i)" after "(H)"; and

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

"(ii)(I) Not less frequently than once every 3 years, the Commissioner shall review in accordance with paragraph (4) the continued eligibility for benefits under this title of each individual who has not attained 18 years of age and is eligible for such benefits by reason of an impairment (or combination of impairments) which may improve (or, which is unlikely to improve, at the option of the Commissioner).

"(II) A parent or guardian of a recipient whose case is reviewed under this clause shall present, at the time of review, evidence demonstrating that the recipient is, and has been, receiving treatment, to the extent considered medically necessary and available, of the condition which was the basis for providing benefits under this title.".

(b) DISABILITY ELIGIBILITY REDETERMINATIONS REQUIRED FOR SSI RECIPIENTS WHO ATTAIN 18 YEARS OF AGE.—

(1) IN GENERAL.—Section 1614(a)(3)(H) (42 U.S.C. 1382c(a)(3)(H)), as amended by subsection (a), is amended by adding at the end the following new clause:

"(iii) If an individual is eligible for benefits under this title by reason of disability for the month preceding the month in which the individual attains the age of 18 years, the Commissioner shall redetermine such eligibility—

"(I) during the 1-year period beginning on the individual's 18th birthday; and

"(II) by applying the criteria used in determining the initial eligibility for applicants who have attained the age of 18 years.

With respect to a redetermination under this clause, paragraph (4) shall not apply and such redetermination shall be considered a substitute for a review or redetermination otherwise required under any other provision of this subparagraph during that 1-year period.".

(2) CONFORMING REPEAL.—Section 207 of the Social Security Independence and Program Improvements Act of 1994 (42 U.S.C. 1382 note; 108 Stat. 1516) is hereby repealed.

(c) CONTINUING DISABILITY REVIEW REQUIRED FOR LOW BIRTH WEIGHT BABIES.—Section 1614(a)(3)(H) (42 U.S.C. 1382c(a)(3)(H)), as amended by subsections (a) and (b), is amended by adding at the end the following new clause:

"(iv)(I) Not later than 12 months after the birth of an individual, the Commissioner shall review in accordance with paragraph (4) the continuing eligibility for benefits under this title by reason of disability of such individual whose low birth weight is a contributing factor material to the Commissioner's determination that the individual is disabled.

"(II) A review under subclause (I) shall be considered a substitute for a review otherwise required under any other provision of this subparagraph during that 12-month period.

"(III) A parent or guardian of a recipient whose case is reviewed under this clause shall present, at the time of review, evidence demonstrating that the recipient is, and has been, receiving treatment, to the extent considered medically necessary and available, of the condition which was the basis for providing benefits under this title.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to benefits for months beginning on or after the date of the enactment of this Act, without regard to whether regulations have been issued to implement such amendments.

SEC. 213. ADDITIONAL ACCOUNTABILITY REQUIREMENTS.

(a) TIGHTENING OF REPRESENTATIVE PAYEE REQUIREMENTS.—

(1) CLARIFICATION OF ROLE.—Section 1631(a)(2)(B)(ii) (42 U.S.C. 1383(a)(2)(B)(ii)) is amended by striking "and" at the end of subclause (II), by striking the period at the end of subclause (IV) and inserting "; and", and by adding after subclause (IV) the following new subclause:

"(V) advise such person through the notice of award of benefits, and at such other times as the Commissioner of Social Security deems appropriate, of specific examples of appropriate expenditures of benefits under this title and the proper role of a representative payee.".

(2) DOCUMENTATION OF EXPENDITURES REQUIRED.—

(A) IN GENERAL.—Subparagraph (C)(i) of section 1631(a)(2) (42 U.S.C. 1383(a)(2)) is amended to read as follows:

"(C)(i) In any case where payment is made to a representative payee of an individual or spouse, the Commissioner of Social Security shall—

"(I) require such representative payee to document expenditures and keep contemporaneous records of transactions made using such payment; and

"(II) implement statistically valid procedures for reviewing a sample of such contemporaneous records in order to identify instances in which such representative payee is not properly using such payment.".

(B) CONFORMING AMENDMENT WITH RESPECT TO PARENT PAYEES.—Clause (ii) of section 1631(a)(2)(C) (42 U.S.C. 1383(a)(2)(C)) is amended by striking "Clause (i)" and inserting "Subclauses (II) and (III) of clause (i)".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to benefits paid after the date of the enactment of this Act.

(b) DEDICATED SAVINGS ACCOUNTS.—

(1) IN GENERAL.—Section 1631(a)(2)(B) (42 U.S.C. 1383(a)(2)(B)) is amended by adding at the end the following new clause:

"(xiv) Notwithstanding clause (x), the Commissioner of Social Security may, at the request of the representative payee, pay any lump sum payment for the benefit of a child into a dedicated savings account that could only be used to purchase for such child—

"(I) education and job skills training;

"(II) special equipment or housing modifications or both specifically related to, and required by the nature of, the child's disability; and

"(III) appropriate therapy and rehabilitation.".

(2) DISREGARD OF TRUST FUNDS.—Section 1613(a) (42 U.S.C. 1382b) is amended—

(A) by striking "and" at the end of paragraph (9),

(B) by striking the period at the end of paragraph (10) the first place it appears and inserting a semicolon,

(C) by redesignating paragraph (10) the second place it appears as paragraph (11) and striking the period at the end of such paragraph and inserting "; and", and

(D) by inserting after paragraph (11), as so redesignated, the following new paragraph:

"(12) all amounts deposited in, or interest credited to, a dedicated savings account described in section 1631(a)(2)(B)(xiv).".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to payments made after the date of the enactment of this Act.

Subtitle C—Studies Regarding Supplemental Security Income Program

SEC. 221. ANNUAL REPORT ON THE SUPPLEMENTAL SECURITY INCOME PROGRAM.

Title XVI is amended by adding at the end the following new section:

"SEC. 1636. ANNUAL REPORT ON PROGRAM.

"(a) DESCRIPTION OF REPORT.—Not later than May 30 of each year, the Commissioner of Social Security shall prepare and deliver a report annually to the President and the Congress regarding the program under this title, including—

"(1) a comprehensive description of the program;

"(2) historical and current data on allowances and denials, including number of applications and allowance rates at initial determinations, reconsiderations, administrative law judge hearings, council of appeals hearings, and Federal court appeal hearings;

"(3) historical and current data on characteristics of recipients and program costs, by recipient group (aged, blind, work disabled adults, and children);

"(4) projections of future number of recipients and program costs, through at least 25 years;

"(5) number of redeterminations and continuing disability reviews, and the outcomes of such redeterminations and reviews;

"(6) data on the utilization of work incentives;

"(7) detailed information on administrative and other program operation costs;

"(8) summaries of relevant research undertaken by the Social Security Administration, or by other researchers;

"(9) State supplementation program operations;

"(10) a historical summary of statutory changes to this title; and

"(11) such other information as the Commissioner deems useful.

"(b) VIEWS OF MEMBERS OF THE SOCIAL SECURITY ADVISORY COUNCIL.—Each member of the Social Security Advisory Council shall be permitted to provide an individual report, or a joint report if agreed, of views of the program under this title, to be included in the annual report under this section.".

SEC. 222. IMPROVEMENTS TO DISABILITY EVALUATION.

(a) REQUEST FOR COMMENTS.—

(1) IN GENERAL.—Not later than 60 days after the date of the enactment of this Act, the Commissioner of Social Security shall issue a request for comments in the Federal Register regarding improvements to the disability evaluation and determination procedures for individuals under age 18 to ensure the comprehensive assessment of such individuals, including—

(A) additions to conditions which should be presumptively disabling at birth or ages 0 through 3 years;

(B) specific changes in individual listings in the Listing of Impairments set forth in appendix 1 of subpart P of part 404 of title 20, Code of Federal Regulations;

(C) improvements in regulations regarding determinations based on regulations providing for medical and functional equivalence to such Listing of Impairments, and consideration of multiple impairments; and

(D) any other changes to the disability determination procedures.

(2) REVIEW AND REGULATORY ACTION.—The Commissioner of Social Security shall promptly review such comments and issue any regulations implementing any necessary changes not later than 18 months after the date of the enactment of this Act.

SEC. 223. STUDY OF DISABILITY DETERMINATION PROCESS.

(a) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, and from funds otherwise appropriated, the Commissioner of Social Security shall make arrangements with the National Academy of Sciences, or other independent entity, to conduct a study of the disability determination process under titles II and XVI of the Social Security Act. This study shall be undertaken in consultation with professionals representing appropriate disciplines.

(b) STUDY COMPONENTS.—The study described in subsection (a) shall include—

(1) an initial phase examining the appropriateness of, and making recommendations regarding—

(A) the definitions of disability in effect on the date of the enactment of this Act and the advantages and disadvantages of alternative definitions; and

(B) the operation of the disability determination process, including the appropriate method of performing comprehensive assessments of individuals under age 18 with physical and mental impairments;

(2) a second phase, which may be concurrent with the initial phase, examining the validity, reliability, and consistency with current scientific knowledge of the standards and individual listings in the Listing of Impairments set forth in appendix 1 of subpart P of part 404 of title 20, Code of Federal Regulations, and of related evaluation procedures as promulgated by the Commissioner of Social Security; and

(3) such other issues as the applicable entity considers appropriate.

(c) REPORTS AND REGULATIONS.—

(1) REPORTS.—The Commissioner of Social Security shall request the applicable entity, to submit an interim report and a final report of the findings and recommendations resulting from the study described in this section to the President and the Congress not later than 18 months and 24 months, respectively, from the date of the contract for such study, and such additional reports as the Commissioner deems appropriate after consultation with the applicable entity.

(2) REGULATIONS.—The Commissioner of Social Security shall review both the interim and final reports, and shall issue regulations implementing any necessary changes following each report.

SEC. 224. STUDY BY GENERAL ACCOUNTING OFFICE.

Not later than January 1, 1998, the Comptroller General of the United States shall study and report on the impact of the amendments made by, and the provisions of, this title on the supplemental security income program under title XVI of the Social Security Act.

Subtitle D—National Commission on the Future of Disability

SEC. 231. ESTABLISHMENT.

There is established a commission to be known as the National Commission on the Future of Disability (referred to in this subtitle as the "Commission"), the expenses of which shall be paid from funds otherwise appropriated for the Social Security Administration.

SEC. 232. DUTIES OF THE COMMISSION.

(a) IN GENERAL.—The Commission shall develop and carry out a comprehensive study of all matters related to the nature, purpose, and adequacy of all Federal programs serving individuals with disabilities. In particular, the Commission shall study the disability insurance program under title II of the Social Security Act and the supplemental security income program under title XVI of such Act.

(b) MATTERS STUDIED.—The Commission shall prepare an inventory of Federal programs serving individuals with disabilities, and shall examine—

(1) trends and projections regarding the size and characteristics of the population of individuals with disabilities, and the implications of such analyses for program planning;

(2) the feasibility and design of performance standards for the Nation's disability programs;

(3) the adequacy of Federal efforts in rehabilitation research and training, and opportunities to improve the lives of individuals with disabilities through all manners of scientific and engineering research; and

(4) the adequacy of policy research available to the Federal Government, and what actions might be undertaken to improve the quality and scope of such research.

(c) RECOMMENDATIONS.—The Commission shall submit to the appropriate committees of the Congress and to the President recommendations and, as appropriate, proposals for legislation, regarding—

(1) which (if any) Federal disability programs should be eliminated or augmented;

(2) what new Federal disability programs (if any) should be established;

(3) the suitability of the organization and location of disability programs within the Federal Government;

(4) other actions the Federal Government should take to prevent disabilities and disadvantages associated with disabilities; and

(5) such other matters as the Commission considers appropriate.

SEC. 233. MEMBERSHIP.

(a) NUMBER AND APPOINTMENT.—

(1) IN GENERAL.—The Commission shall be composed of 15 members, of whom—

(A) five shall be appointed by the President, of whom not more than 3 shall be of the same major political party;

(B) three shall be appointed by the Majority Leader of the Senate;

(C) two shall be appointed by the Minority Leader of the Senate;

(D) three shall be appointed by the Speaker of the House of Representatives; and

(E) two shall be appointed by the Minority Leader of the House of Representatives.

(2) REPRESENTATION.—The Commission members shall be chosen based on their education, training, or experience. In appointing individuals as members of the Commission, the President and the Majority and Minority Leaders of the Senate and the Speaker and Minority Leader of the House of Representatives shall seek to ensure that the membership of the Commission reflects the diversity of individuals with disabilities in the United States.

(b) COMPTROLLER GENERAL.—The Comptroller General shall serve on the Commission as an ex officio member of the Commission to advise and oversee the methodology and approach of the study of the Commission.

(c) PROHIBITION AGAINST OFFICER OR EMPLOYEE.—No officer or employee of any government shall be appointed under subsection (a).

(d) DEADLINE FOR APPOINTMENT; TERM OF APPOINTMENT.—Members of the Commission shall be appointed not later than 60 days after the date of the enactment of this Act. The members shall serve on the Commission for the life of the Commission.

(e) MEETINGS.—The Commission shall locate its headquarters in the District of Columbia, and shall meet at the call of the Chairperson, but not less than 4 times each year during the life of the Commission.

(f) QUORUM.—Ten members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(g) CHAIRPERSON AND VICE CHAIRPERSON.—Not later than 15 days after the members of the Commission are appointed, such members shall designate a Chairperson and Vice Chairperson from among the members of the Commission.

(h) CONTINUATION OF MEMBERSHIP.—If a member of the Commission becomes an officer or employee of any government after appointment to the Commission, the individual may continue as a member until a successor member is appointed.

(i) VACANCIES.—A vacancy on the Commission shall be filled in the manner in which the original appointment was made not later than 30 days after the Commission is given notice of the vacancy.

(j) COMPENSATION.—Members of the Commission shall receive no additional pay, allowances, or benefits by reason of their service on the Commission.

(k) TRAVEL EXPENSES.—Each member of the Commission shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

SEC. 234. STAFF AND SUPPORT SERVICES.

(a) DIRECTOR.—

(1) APPOINTMENT.—Upon consultation with the members of the Commission, the Chairperson shall appoint a Director of the Commission.

(2) COMPENSATION.—The Director shall be paid the rate of basic pay for level V of the Executive Schedule.

(b) STAFF.—With the approval of the Commission, the Director may appoint such personnel as the Director considers appropriate.

(c) APPLICABILITY OF CIVIL SERVICE LAWS.—The staff of the Commission shall be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(d) EXPERTS AND CONSULTANTS.—With the approval of the Commission, the Director may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

(e) STAFF OF FEDERAL 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 in carrying out the duties of the Commission under this subtitle.

(f) OTHER RESOURCES.—The Commission shall have reasonable access to materials, resources, statistical data, and other information from the Library of Congress and agencies and elected representatives of the executive and legislative branches of the Federal Government. The Chairperson of the Commission shall make requests for such access in writing when necessary.

(g) PHYSICAL FACILITIES.—The Administrator of the General Services Administration shall locate suitable office space for the operation of the Commission. The facilities shall serve as the headquarters of the Commission and shall include all necessary equipment and incidentals required for proper functioning of the Commission.

SEC. 235. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may conduct public hearings or forums at the discretion of the Commission, at any time and place the Commission is able to secure facilities and witnesses, for the purpose of carrying out the duties of the Commission under this subtitle.

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

(c) INFORMATION.—The Commission may secure directly from any Federal agency information necessary to enable the Commission to carry out its duties under this subtitle. Upon request of the Chairperson or Vice Chairperson of the Commission, the head of a Federal agency shall furnish the information to the Commission to the extent permitted by law.

(d) GIFTS, BEQUESTS, AND DEVISES.—The Commission may accept, use, and dispose of gifts, bequests, or devises of services or property, both real and personal, for the purpose of aiding or facilitating the work of the Commission. Gifts, bequests, or devises of money and proceeds from sales of other property received as gifts, bequests, or devises shall be deposited in the Treasury and shall be available for disbursement upon order of the Commission.

(e) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other Federal agencies.

SEC. 236. REPORTS.

(a) INTERIM REPORT.—Not later than 1 year prior to the date on which the Commission terminates pursuant to section 237, the Commission shall submit an interim report to the President and to the Congress. The interim report shall contain a detailed statement of the findings and conclusions of the Commission, together with the Commission's recommendations for legislative and administrative action, based on the activities of the Commission.

(b) FINAL REPORT.—Not later than the date on which the Commission terminates, the Commission shall submit to the Congress and to the President a final report containing—

(1) a detailed statement of final findings, conclusions, and recommendations; and

(2) an assessment of the extent to which recommendations of the Commission included in the interim report under subsection (a) have been implemented.

(c) PRINTING AND PUBLIC DISTRIBUTION.—Upon receipt of each report of the Commission under this section, the President shall—

(1) order the report to be printed; and

(2) make the report available to the public upon request.

SEC. 237. TERMINATION.

The Commission shall terminate on the date that is 2 years after the date on which the members of the Commission have met and designated a Chairperson and Vice Chairperson.

Subtitle E—State Supplementation Programs

SEC. 241. REPEAL OF MAINTENANCE OF EFFORT REQUIREMENTS APPLICABLE TO OPTIONAL STATE PROGRAMS FOR SUPPLEMENTATION OF SSI BENEFITS.

(a) IN GENERAL.—Section 1618 (42 U.S.C. 1382g) is repealed.

(b) EFFECTIVE DATE.—The repeal made by subsection (a) shall apply with respect to calendar quarters beginning after September 30, 1995.

TITLE III—FOOD STAMP PROGRAM

Subtitle A—Food Stamp Reform

SEC. 301. CERTIFICATION PERIOD.

Section 3(c) of the Food Stamp Act of 1977 (7 U.S.C. 2012(c)) is amended by striking "Except as provided" and all that follows and inserting the following: "The certification period shall not exceed 12 months, except that the certification period may be up to 24 months if all adult household members are elderly, disabled, or primarily self-employed. A State agency shall have at least 1 personal contact with each certified household every 12 months.".

SEC. 302. TREATMENT OF CHILDREN LIVING AT HOME.

The second sentence of section 3(i) of the Food Stamp Act of 1977 (7 U.S.C. 2012(i)) is amended by striking "(who are not themselves parents living with their children or married and living with their spouses)".

SEC. 303. OPTIONAL ADDITIONAL CRITERIA FOR SEPARATE HOUSEHOLD DETERMINATIONS.

(a) IN GENERAL.—Section 3(i) of the Food Stamp Act of 1977 (7 U.S.C. 2012(i)) is amended by inserting after the third sentence the following: "Notwithstanding the preceding sentences, a State may establish criteria that prescribe when individuals who live together, and who would be allowed to participate as separate households under the preceding sentences, shall be considered a single household, without regard to the common purchase of food and preparation of meals.".

(b) CONFORMING AMENDMENT.—The second sentence of section 5(a) of the Act (7 U.S.C. 2014(a)) is amended by striking "the third sentence of section 3(i)" and inserting "the fourth sentence of section 3(i)".

SEC. 304. ADJUSTMENT OF THRIFTY FOOD PLAN.

The second sentence of section 3(o) of the Food Stamp Act of 1977 (7 U.S.C. 2012(o)) is amended—

(1) by striking "shall (1) make" and inserting the following: "shall—

"(1) make";

(2) by striking "scale, (2) make" and inserting "scale;

"(2) make";

(3) by striking "Alaska, (3) make" and inserting the following: "Alaska;

"(3) make"; and

(4) by striking "Columbia, (4) through" and all that follows through the end of the subsection and inserting the following: "Columbia; and

"(4) on October 1, 1995, and each October 1 thereafter, adjust the cost of the diet to reflect the cost of the diet, in the preceding June, and round the result to the nearest lower dollar increment for each household size, except that on October 1, 1995, the Secretary may not reduce the cost of the diet in effect on September 30, 1995.".

SEC. 305. DEFINITION OF HOMELESS INDIVIDUAL.

Section 3(s)(2)(C) of the Food Stamp Act of 1977 (7 U.S.C. 2012(s)(2)(C)) is amended by inserting "for not more than 90 days" after "temporary accommodation".

SEC. 306. STATE OPTIONS IN REGULATIONS.

Section 5(b) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)) is amended by striking "(b) The Secretary" and inserting the following:

"(b) UNIFORM STANDARDS.—Except as otherwise provided in this Act, the Secretary".

SEC. 307. EARNINGS OF STUDENTS.

Section 5(d)(7) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)(7)) is amended by striking "21" and inserting "19".

SEC. 308. ENERGY ASSISTANCE.

(a) IN GENERAL.—Section 5(d) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)) is amended—

(1) by striking paragraph (11); and

(2) by redesignating paragraphs (12) through (15) as paragraphs (11) through (14), respectively.

(b) CONFORMING AMENDMENTS.—

(1) Section 5(k) of the Act (7 U.S.C. 2014(k)) is amended—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking "plan for aid to families with dependent children approved" and inserting "program funded"; and

(ii) in subparagraph (B), by striking ", not including energy or utility-cost assistance,"; and

(B) in paragraph (2)—

(i) by striking subparagraph (C); and

(ii) by redesignating subparagraphs (D) through (H) as subparagraphs (C) through (G), respectively;

(C) by adding at the end the following:

"(4) THIRD PARTY ENERGY ASSISTANCE PAYMENTS.—

"(A) ENERGY ASSISTANCE PAYMENTS.—For purposes of subsection (d)(1), a payment made under a Federal or State law to provide energy assistance to a household shall be considered money payable directly to the household.

"(B) ENERGY ASSISTANCE EXPENSES.—For purposes of subsection (e)(7), an expense paid on behalf of a household under a Federal or State law to provide energy assistance shall be considered an out-of-pocket expense incurred and paid by the household.".

(2) Section 2605(f) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8624(f)) is amended—

(A) by striking "(f)(1) Notwithstanding" and inserting "(f) Notwithstanding";

(B) in paragraph (1), by striking "food stamps,"; and

(C) by striking paragraph (2).

SEC. 309. DEDUCTIONS FROM INCOME.

(a) IN GENERAL.—Section 5 of the Food Stamp Act of 1977 (7 U.S.C. 2014) is amended by striking subsection (e) and inserting the following:

"(e) DEDUCTIONS FROM INCOME.—

"(1) STANDARD DEDUCTION.—

"(A) IN GENERAL.—The Secretary shall allow a standard deduction for each household in the 48 contiguous States and the District of Columbia, Alaska, Hawaii, Guam, and the Virgin Islands of the United States of—

"(i) for fiscal year 1995, $134, $229, $189, $269, and $118, respectively;

"(ii) for fiscal year 1996, $132, $225, $186, $265, and $116, respectively;

"(iii) for fiscal year 1997, $130, $222, $183, $261, and $114, respectively;

"(iv) for fiscal year 1998, $128, $218, $180, $257, and $112, respectively;

"(v) for fiscal year 1999, $126, $215, $177, $252, and $111, respectively; and

"(vi) for fiscal year 2000, $124, $211, $174, $248, and $109, respectively.

"(B) ADJUSTMENT FOR INFLATION.—On October 1, 2000, and each October 1 thereafter, the Secretary shall adjust the standard deduction to the nearest lower dollar increment to reflect changes in the Consumer Price Index for all urban consumers published by the Bureau of Labor Statistics, for items other than food, for the 12-month period ending the preceding June 30.

"(2) EARNED INCOME DEDUCTION.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), a household with earned income shall be allowed a deduction of 20 percent of all earned income (other than income excluded by subsection (d)), to compensate for taxes, other mandatory deductions from salary, and work expenses.

"(B) EXCEPTION.—The deduction described in subparagraph (A) shall not be allowed with respect to determining an overissuance due to the failure of a household to report earned income in a timely manner.

"(3) DEPENDENT CARE DEDUCTION.—

"(A) IN GENERAL.—A household shall be entitled, with respect to expenses (other than excluded expenses described in subparagraph (B)) for dependent care, to a dependent care deduction, the maximum allowable level of which shall be $200 per month for each dependent child under 2 years of age and $175 per month for each other dependent, for the actual cost of payments necessary for the care of a dependent if the care enables a household member to accept or continue employment, or training or education that is preparatory for employment.

"(B) EXCLUDED EXPENSES.—The excluded expenses referred to in subparagraph (A) are—

"(i) expenses paid on behalf of the household by a third party;

"(ii) amounts made available and excluded for the expenses referred to in subparagraph (A) under subsection (d)(3); and

"(iii) expenses that are paid under section 6(d)(4).

"(4) DEDUCTION FOR CHILD SUPPORT PAYMENTS.—

"(A) IN GENERAL.—A household shall be entitled to a deduction for child support payments made by a household member to or for an individual who is not a member of the household if the household member is legally obligated to make the payments.

"(B) METHODS FOR DETERMINING AMOUNT.—The Secretary may prescribe by regulation the methods, including calculation on a retrospective basis, that a State agency shall use to determine the amount of the deduction for child support payments.

"(5) HOMELESS SHELTER DEDUCTION.—A State agency may develop a standard homeless shelter deduction, which shall not exceed $139 per month, for such expenses as may reasonably be expected to be incurred by households in which all members are homeless individuals but are not receiving free shelter throughout the month. A State agency that develops the deduction may use the deduction in determining eligibility and allotments for the households, except that the State agency may prohibit the use of the deduction for households with extremely low shelter costs.

"(6) EXCESS MEDICAL EXPENSE DEDUCTION.—

"(A) IN GENERAL.—A household containing an elderly or disabled member shall be entitled, with respect to expenses other than expenses paid on behalf of the household by a third party, to an excess medical expense deduction for the portion of the actual costs of allowable medical expenses, incurred by the elderly or disabled member, exclusive of special diets, that exceeds $35 per month.

"(B) METHOD OF CLAIMING DEDUCTION.—

"(i) IN GENERAL.—A State agency shall offer an eligible household under subparagraph (A) a method of claiming a deduction for recurring medical expenses that are initially verified under the excess medical expense deduction in lieu of submitting information or verification on actual expenses on a monthly basis.

"(ii) METHOD.—The method described in clause (i) shall—

"(I) be designed to minimize the burden for the eligible elderly or disabled household member choosing to deduct the recurrent medical expenses of the member pursuant to the method;

"(II) rely on reasonable estimates of the expected medical expenses of the member for the certification period (including changes that can be reasonably anticipated based on available information about the medical condition of the member, public or private medical insurance coverage, and the current verified medical expenses incurred by the member); and

"(III) not require further reporting or verification of a change in medical expenses if such a change has been anticipated for the certification period.

"(7) EXCESS SHELTER EXPENSE DEDUCTION.—

"(A) IN GENERAL.—A household shall be entitled, with respect to expenses other than expenses paid on behalf of the household by a third party, to an excess shelter expense deduction to the extent that the monthly amount expended by a household for shelter exceeds an amount equal to 50 percent of monthly household income after all other applicable deductions have been allowed.

"(B) MAXIMUM AMOUNT OF DEDUCTION.—

"(i) PRIOR TO SEPTEMBER 30, 1995.—In the case of a household that does not contain an elderly or disabled individual, during the 15-month period ending September 30, 1995, the excess shelter expense deduction shall not exceed—

"(I) in the 48 contiguous States and the District of Columbia, $231 per month; and

"(II) in Alaska, Hawaii, Guam, and the Virgin Islands of the United States, $402, $330, $280, and $171 per month, respectively.

"(ii) AFTER SEPTEMBER 30, 1995.—In the case of a household that does not contain an elderly or disabled individual, during the 15-month period ending December 31, 1996, the excess shelter expense deduction shall not exceed—

"(I) in the 48 contiguous States and the District of Columbia, $247 per month; and

"(II) in Alaska, Hawaii, Guam, and the Virgin Islands of the United States, $429, $353, $300, and $182 per month, respectively.

"(C) STANDARD UTILITY ALLOWANCE.—

"(i) IN GENERAL.—In computing the excess shelter expense deduction, a State agency may use a standard utility allowance in accordance with regulations promulgated by the Secretary, except that a State agency may use an allowance that does not fluctuate within a year to reflect seasonal variations.

"(ii) RESTRICTIONS ON HEATING AND COOLING EXPENSES.—An allowance for a heating or cooling expense may not be used in the case of a household that—

"(I) does not incur a heating or cooling expense, as the case may be;

"(II) does incur a heating or cooling expense but is located in a public housing unit that has central utility meters and charges households, with regard to the expense, only for excess utility costs; or

"(III) shares the expense with, and lives with, another individual not participating in the food stamp program, another household participating in the food stamp program, or both, unless the allowance is prorated between the household and the other individual, household, or both.

"(iii) MANDATORY ALLOWANCE.—

"(I) IN GENERAL.—A State agency may make the use of a standard utility allowance mandatory for all households with qualifying utility costs if—

"(aa) the State agency has developed 1 or more standards that include the cost of heating and cooling and 1 or more standards that do not include the cost of heating and cooling; and

"(bb) the Secretary finds that the standards will not result in an increased cost to the Secretary.

"(II) HOUSEHOLD ELECTION.—A State agency that has not made the use of a standard utility allowance mandatory under subclause (I) shall allow a household to switch, at the end of a certification period, between the standard utility allowance and a deduction based on the actual utility costs of the household.

"(iv) AVAILABILITY OF ALLOWANCE TO RECIPIENTS OF ENERGY ASSISTANCE.—

"(I) IN GENERAL.—Subject to subclause (II), if a State agency elects to use a standard utility allowance that reflects heating or cooling costs, the standard utility allowance shall be made available to households receiving a payment, or on behalf of which a payment is made, under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.) or other similar energy assistance program, if the household still incurs out-of-pocket heating or cooling expenses in excess of any assistance paid on behalf of the household to an energy provider.

"(II) SEPARATE ALLOWANCE.—A State agency may use a separate standard utility allowance for households on behalf of which a payment described in subclause (I) is made, but may not be required to do so.

"(III) STATES NOT ELECTING TO USE SEPARATE ALLOWANCE.—A State agency that does not elect to use a separate allowance but makes a single standard utility allowance available to households incurring heating or cooling expenses (other than a household described in subclause (I) or (II) of subparagraph (C)(ii)) may not be required to reduce the allowance due to the provision (directly or indirectly) of assistance under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.).

"(IV) PRORATION OF ASSISTANCE.—For the purpose of the food stamp program, assistance provided under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.) shall be considered to be prorated over the entire heating or cooling season for which the assistance was provided.".

(b) CONFORMING AMENDMENT.—Section 11(e)(3) of the Act (7 U.S.C. 2020(e)(3)) is amended by striking ". Under rules prescribed" and all that follows through "verifies higher expenses".

SEC. 310. AMOUNT OF VEHICLE ASSET LIMITATION.

The first sentence of section 5(g)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2014(g)(2)) is amended by striking "through September 30, 1995" and all that follows through "such date and on" and inserting "and shall be adjusted on October 1, 1996, and".

SEC. 311. BENEFITS FOR ALIENS.

Section 5(i) of the Food Stamp Act of 1977 (7 U.S.C. 2014(i)) is amended—

(1) in the first sentence of paragraph (1)—

(A) by inserting "or who executed such an affidavit or similar agreement to enable the individual to lawfully remain in the United States," after "respect to such individual,"; and

(B) by striking "for a period" and all that follows through the period at the end and inserting "until the end of the period ending on the later of the date agreed to in the affidavit or agreement or the date that is 5 years after the date on which the individual was first lawfully admitted into the United States following the execution of the affidavit or agreement."; and

(2) in paragraph (2)—

(A) in subparagraph (C)(i), by striking "of three years after entry into the United States" and inserting "determined under paragraph (1)"; and

(B) in subparagraph (D), by striking "of three years after such alien's entry into the United States" and inserting "determined under paragraph (1)".

SEC. 312. DISQUALIFICATION.

(a) IN GENERAL.—Section 6(d) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)) is amended by striking "(d)(1) Unless otherwise exempted by the provisions" and all that follows through the end of paragraph (1) and inserting the following:

"(d) CONDITIONS OF PARTICIPATION.—

"(1) WORK REQUIREMENTS.—

"(A) IN GENERAL.—No physically and mentally fit individual over the age of 15 and under the age of 60 shall be eligible to participate in the food stamp program if the individual—

"(i) refuses, at the time of application and every 12 months thereafter, to register for employment in a manner prescribed by the Secretary;

"(ii) refuses without good cause to participate in an employment and training program under paragraph (4), to the extent required by the State agency;

"(iii) refuses without good cause to accept an offer of employment, at a site or plant not subject to a strike or lockout at the time of the refusal, at a wage not less than the higher of—

"(I) the applicable Federal or State minimum wage; or

"(II) 80 percent of the wage that would have governed had the minimum hourly rate under section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) been applicable to the offer of employment;

"(iv) refuses without good cause to provide a State agency with sufficient information to allow the State agency to determine the employment status or the job availability of the individual;

"(v) voluntarily and without good cause—

"(I) quits a job; or

"(II) reduces work effort and, after the reduction, the individual is working less than 30 hours per week; or

"(vi) fails to comply with section 20.

"(B) HOUSEHOLD INELIGIBILITY.—If an individual who is the head of a household becomes ineligible to participate in the food stamp program under subparagraph (A), the household shall, at the option of the State agency, become ineligible to participate in the food stamp program for a period, determined by the State agency, that does not exceed the lesser of—

"(i) the duration of the ineligibility of the individual determined under subparagraph (C); or

"(ii) 180 days.

"(C) DURATION OF INELIGIBILITY.—

"(i) FIRST VIOLATION.—The first time that an individual becomes ineligible to participate in the food stamp program under subparagraph (A), the individual shall remain ineligible until the later of—

"(I) the date the individual becomes eligible under subparagraph (A);

"(II) the date that is 1 month after the date the individual became ineligible; or

"(III) a date determined by the State agency that is not later than 3 months after the date the individual became ineligible.

"(ii) SECOND VIOLATION.—The second time that an individual becomes ineligible to participate in the food stamp program under subparagraph (A), the individual shall remain ineligible until the later of—

"(I) the date the individual becomes eligible under subparagraph (A);

"(II) the date that is 3 months after the date the individual became ineligible; or

"(III) a date determined by the State agency that is not later than 6 months after the date the individual became ineligible.

"(iii) THIRD OR SUBSEQUENT VIOLATION.—The third or subsequent time that an individual becomes ineligible to participate in the food stamp program under subparagraph (A), the individual shall remain ineligible until the later of—

"(I) the date the individual becomes eligible under subparagraph (A);

"(II) the date that is 6 months after the date the individual became ineligible;

"(III) a date determined by the State agency; or

"(IV) at the option of the State agency, permanently.

"(D) ADMINISTRATION.—

"(i) GOOD CAUSE.—The Secretary shall determine the meaning of good cause for the purpose of this paragraph.

"(ii) VOLUNTARY QUIT.—The Secretary shall determine the meaning of voluntarily quitting and reducing work effort for the purpose of this paragraph.

"(iii) DETERMINATION BY STATE AGENCY.—

"(I) IN GENERAL.—Subject to subclause (II) and clauses (i) and (ii), a State agency shall determine—

"(aa) the meaning of any term in subparagraph (A);

"(bb) the procedures for determining whether an individual is in compliance with a requirement under subparagraph (A); and

"(cc) whether an individual is in compliance with a requirement under subparagraph (A).

"(II) NOT LESS RESTRICTIVE.—A State agency may not determine a meaning, procedure, or determination under subclause (I) to be less restrictive than a comparable meaning, procedure, or determination under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

"(iv) STRIKE AGAINST THE GOVERNMENT.—For the purpose of subparagraph (A)(v), an employee of the Federal Government, a State, or a political subdivision of a State, who is dismissed for participating in a strike against the Federal Government, the State, or the political subdivision of the State shall be considered to have voluntarily quit without good cause.

"(v) SELECTING A HEAD OF HOUSEHOLD.—

"(I) IN GENERAL.—For the purpose of this paragraph, the State agency shall allow the household to select any adult parent of a child in the household as the head of the household if all adult household members making application under the food stamp program agree to the selection.

"(II) TIME FOR MAKING DESIGNATION.—A household may designate the head of the household under subclause (I) each time the household is certified for participation in the food stamp program, but may not change the designation during a certification period unless there is a change in the composition of the household.

"(vi) CHANGE IN HEAD OF HOUSEHOLD.—If the head of a household leaves the household during a period in which the household is ineligible to participate in the food stamp program under subparagraph (B)—

"(I) the household shall, if otherwise eligible, become eligible to participate in the food stamp program; and

"(II) if the head of the household becomes the head of another household, the household that becomes headed by the individual shall become ineligible to participate in the food stamp program for the remaining period of ineligibility.".

(b) CONFORMING AMENDMENT.—

(1) The second sentence of section 17(b)(2) of the Act (7 U.S.C. 2026(b)(2)) is amended by striking "6(d)(1)(i)" and inserting "6(d)(1)(A)(i)".

(2) Section 20 of the Act (7 U.S.C. 2029) is amended by striking subsection (f) and inserting the following:

"(f) DISQUALIFICATION.—An individual or a household may become ineligible under section 6(d)(1) to participate in the food stamp program for failing to comply with this section.".

SEC. 313. CARETAKER EXEMPTION.

Section 6(d)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(2)) is amended by striking subparagraph (B) and inserting the following: "(B) a parent or other member of a household with responsibility for the care of (i) a dependent child under the age of 6 or any lower age designated by the State agency that is not under the age of 1, or (ii) an incapacitated person;".

SEC. 314. EMPLOYMENT AND TRAINING.

(a) IN GENERAL.—Section 6(d)(4) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4)) is amended—

(1) in subparagraph (A)—

(A) by striking "Not later than April 1, 1987, each" and inserting "Each";

(B) by inserting "work," after "skills, training,"; and

(C) by adding at the end the following: "Each component of an employment and training program carried out under this paragraph shall be delivered through the statewide workforce development system established in section 711 of the Work Opportunity Act of 1995, unless the component is not available locally through the statewide workforce development system.";

(2) in subparagraph (B)—

(A) in the matter preceding clause (i), by striking the colon at the end and inserting the following: ", except that the State agency shall retain the option to apply employment requirements prescribed under this subparagraph to a program applicant at the time of application:";

(B) in clause (i), by striking "with terms and conditions" and all that follows through "time of application"; and

(C) in clause (iv)—

(i) by striking subclauses (I) and (II); and

(ii) by redesignating subclauses (III) and (IV) as subclauses (I) and (II), respectively;

(3) in subparagraph (D)—

(A) in clause (i), by striking "to which the application" and all that follows through "30 days or less";

(B) in clause (ii), by striking "but with respect" and all that follows through "child care"; and

(C) in clause (iii), by striking ", on the basis of" and all that follows through "clause (ii)" and inserting "the exemption continues to be valid";

(4) in subparagraph (E), by striking the third sentence;

(5) in subparagraph (G)—

(A) by striking "(G)(i) The State" and inserting "(G) The State"; and

(B) by striking clause (ii);

(6) in subparagraph (H), by striking "(H)(i) The Secretary" and all that follows through "(ii) Federal funds" and inserting "(H) Federal funds";

(7) in subparagraph (I)(i)(II), by striking ", or was in operation," and all that follows through "Social Security Act" and inserting the following: "), except that no such payment or reimbursement shall exceed the applicable local market rate";

(8)(A) by striking subparagraphs (K) and (L) and inserting the following:

"(K) LIMITATION ON FUNDING.—Notwithstanding any other provision of this paragraph, the amount of funds a State agency uses to carry out this paragraph (including under subparagraph (I)) for participants who are receiving benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) shall not exceed the amount of funds the State agency used in fiscal year 1995 to carry out this paragraph for participants who were receiving benefits in fiscal year 1995 under a State program funded under part A of title IV of the Act (42 U.S.C. 601 et seq.)."; and

(B) by redesignating subparagraphs (M) and (N) as subparagraphs (L) and (M), respectively; and

(9) in subparagraph (L) (as redesignated by paragraph (8)(B))—

(A) by striking "(L)(i) The Secretary" and inserting "(L) The Secretary"; and

(B) by striking clause (ii).

(b) EFFECTIVE DATE.—The amendment made by subsection (a)(1)(C) shall take effect—

(1) in a State described in section 815(b)(1), on July 1, 1997; and

(2) in any other State, on July 1, 1998.

(c) FUNDING.—Section 16(h) of the Act (7 U.S.C. 2025(h)) is amended by striking "(h)(1)(A) The Secretary" and all that follows through the end of paragraph (1) and inserting the following:

"(h) FUNDING OF EMPLOYMENT AND TRAINING PROGRAMS.—

"(1) IN GENERAL.—

"(A) AMOUNTS.—To carry out employment and training programs, the Secretary shall reserve for allocation to State agencies from funds made available for each fiscal year under section 18(a)(1) the amount of—

"(i) for fiscal year 1996, $77,000,000;

"(ii) for fiscal year 1997, $80,000,000;

"(iii) for fiscal year 1998, $83,000,000;

"(iv) for fiscal year 1999, $86,000,000;

"(v) for fiscal year 2000, $89,000,000;

"(vi) for fiscal year 2001, $92,000,000; and

"(vii) for fiscal year 2002, $95,000,000.

"(B) ALLOCATION.—The Secretary shall allocate the amounts reserved under subparagraph (A) among the State agencies using a reasonable formula (as determined by the Secretary) that gives consideration to the population in each State affected by section 6(n).

"(C) REALLOCATION.—

"(i) NOTIFICATION.—A State agency shall promptly notify the Secretary if the State agency determines that the State agency will not expend all of the funds allocated to the State agency under subparagraph (B).

"(ii) REALLOCATION.—On notification under clause (i), the Secretary shall reallocate the funds that the State agency will not expend as the Secretary considers appropriate and equitable.

"(D) MINIMUM ALLOCATION.—Notwithstanding subparagraphs (A) through (C), the Secretary shall ensure that each State agency operating an employment and training program shall receive not less than $50,000 in each fiscal year.".

(d) REPORTS.—Section 16(h) of the Act (7 U.S.C. 2025(h)) is amended—

(1) in paragraph (5)—

(A) by striking "(5)(A) The Secretary" and inserting "(5) The Secretary"; and

(B) by striking subparagraph (B); and

(2) by striking paragraph (6).

SEC. 315. COMPARABLE TREATMENT FOR DISQUALIFICATION.

(a) IN GENERAL.—Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015) is amended—

(1) by redesignating subsection (i) (as added by section 106) as subsection (o); and

(2) by inserting after subsection (h) the following:

"(i) COMPARABLE TREATMENT FOR DISQUALIFICATION.—

"(1) IN GENERAL.—If a disqualification is imposed on a member of a household for a failure of the member to perform an action required under a Federal, State, or local law relating to a welfare or public assistance program, the State agency may impose the same disqualification on the member of the household under the food stamp program.

"(2) APPLICATION AFTER DISQUALIFICATION PERIOD.—A member of a household disqualified under paragraph (1) may, after the disqualification period has expired, apply for benefits under this Act and shall be treated as a new applicant, except that a prior disqualification under subsection (d) shall be considered in determining eligibility.".

(b) STATE PLAN PROVISIONS.—Section 11(e) of the Act (7 U.S.C. 2020(e)) is amended—

(1) in paragraph (24), by striking "and" at the end; and

(2) by adding at the end the following:

"(26) the guidelines the State agency uses in carrying out section 6(i);".

(c) CONFORMING AMENDMENT.—Section 6(d)(2)(A) of the Act (7 U.S.C. 2015(d)(2)(A)) is amended by striking "that is comparable to a requirement of paragraph (1)".

SEC. 316. COOPERATION WITH CHILD SUPPORT AGENCIES.

Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015) (as amended by section 315) is further amended by inserting after subsection (i) the following:

"(j) CUSTODIAL PARENT'S COOPERATION WITH CHILD SUPPORT AGENCIES.—

"(1) IN GENERAL.—At the option of a State agency, subject to paragraphs (2) and (3), no natural or adoptive parent or other individual (collectively referred to in this subsection as 'the individual') who is living with and exercising parental control over a child under the age of 18 who has an absent parent shall be eligible to participate in the food stamp program unless the individual cooperates with the State agency administering the program established under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.)—

"(A) in establishing the paternity of the child (if the child is born out of wedlock); and

"(B) in obtaining support for—

"(i) the child; or

"(ii) the individual and the child.

"(2) GOOD CAUSE FOR NONCOOPERATION.—Paragraph (1) shall not apply to the individual if good cause is found for refusing to cooperate, as determined by the State agency in accordance with standards prescribed by the Secretary in consultation with the Secretary of Health and Human Services. The standards shall take into consideration circumstances under which cooperation may be against the best interests of the child.

"(3) FEES.—Paragraph (1) shall not require the payment of a fee or other cost for services provided under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.).

"(k) NON-CUSTODIAL PARENT'S COOPERATION WITH CHILD SUPPORT AGENCIES.—

"(1) IN GENERAL.—At the option of a State agency, subject to paragraphs (2) and (3), a putative or identified non-custodial parent of a child under the age of 18 (referred to in this subsection as 'the individual') shall not be eligible to participate in the food stamp program if the individual refuses to cooperate with the State agency administering the program established under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.)—

"(A) in establishing the paternity of the child (if the child is born out of wedlock); and

"(B) in providing support for the child.

"(2) REFUSAL TO COOPERATE.—

"(A) GUIDELINES.—The Secretary, in consultation with the Secretary of Health and Human Services, shall develop guidelines on what constitutes a refusal to cooperate under paragraph (1).

"(B) PROCEDURES.—The State agency shall develop procedures, using guidelines developed under subparagraph (A), for determining whether an individual is refusing to cooperate under paragraph (1).

"(3) FEES.—Paragraph (1) shall not require the payment of a fee or other cost for services provided under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.).

"(4) PRIVACY.—The State agency shall provide safeguards to restrict the use of information collected by a State agency administering the program established under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.) to purposes for which the information is collected.".

SEC. 317. DISQUALIFICATION FOR CHILD SUPPORT ARREARS.

Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015) (as amended by section 316) is further amended by inserting after subsection (k) the following:

"(l) DISQUALIFICATION FOR CHILD SUPPORT ARREARS.—

"(1) IN GENERAL.—At the option of a State agency, except as provided in paragraph (2), no individual shall be eligible to participate in the food stamp program as a member of

any household during any month that the individual is delinquent in any payment due under a court order for the support of a child of the individual.

"(2) EXCEPTIONS.—Paragraph (1) shall not apply if—

"(A) a court is allowing the individual to delay payment; or

"(B) the individual is complying with a payment plan approved by a court or the State agency designated under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.) to provide support for the child of the individual.".

SEC. 318. PERMANENT DISQUALIFICATION FOR PARTICIPATING IN 2 OR MORE STATES.

Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015) (as amended by section 317) is further amended by inserting after subsection (l) the following:

"(m) PERMANENT DISQUALIFICATION FOR PARTICIPATING IN 2 OR MORE STATES.—An individual shall be permanently ineligible to participate in the food stamp program as a member of any household if the individual is found by a State agency to have made, or is convicted in Federal or State court of having made, a fraudulent statement or representation with respect to the place of residence of the individual in order to receive benefits simultaneously from 2 or more States under the food stamp program.".

SEC. 319. WORK REQUIREMENT.

(a) IN GENERAL.—Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015) (as amended by section 318) is further amended by inserting after subsection (m) the following:

"(n) WORK REQUIREMENT.—

"(1) DEFINITION OF WORK PROGRAM.—In this subsection, the term 'work program' means—

"(A) a program under the Job Training Partnership Act (29 U.S.C. 1501 et seq.);

"(B) a program under section 236 of the Trade Act of 1974 (19 U.S.C. 2296); or

"(C) a program of employment or training operated or supervised by a State or political subdivision of a State that meets standards approved by the Governor of the State, including a program under section 6(d)(4) other than a job search program or a job search training program under clause (i) or (ii) of section 6(d)(4)(B).

"(2) WORK REQUIREMENT.—No individual shall be eligible to participate in the food stamp program as a member of any household if, during the preceding 12-month period, the individual received food stamp benefits for not less than 6 months during which the individual did not—

"(A) work 20 hours or more per week, averaged monthly; or

"(B) participate in and comply with the requirements of a work program for 20 hours or more per week, as determined by the State agency.

"(3) EXCEPTION.—Paragraph (2) shall not apply to an individual if the individual is—

"(A) under 18 or over 50 years of age;

"(B) medically certified as physically or mentally unfit for employment;

"(C) a parent or other member of a household with responsibility for a dependent child; or

"(D) otherwise exempt under section 6(d)(2).

"(4) WAIVER.—

"(A) IN GENERAL.—On the request of a State agency, the Secretary may waive the applicability of paragraph (2) to any group of individuals in the State if the Secretary makes a determination that the area in which the individuals reside—

"(i) has an unemployment rate of over 8 percent; or

"(ii) does not have a sufficient number of jobs to provide employment for the individuals.

"(B) REPORT.—The Secretary shall report the basis for a waiver under subparagraph (A) to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.".

(b) TRANSITION PROVISION.—Prior to October 1, 1996, the term "preceding 12-month period" in section 6(n)(2) of the Food Stamp Act of 1977 (as amended by subsection (a)) means the preceding period that begins on October 1, 1995.

SEC. 320. ELECTRONIC BENEFIT TRANSFERS.

Section 7 of the Food Stamp Act of 1977 (7 U.S.C. 2016) is amended by adding at the end the following:

"(j) ELECTRONIC BENEFIT TRANSFERS.—

"(1) APPLICABLE LAW.—

"(A) IN GENERAL.—Disclosures, protections, responsibilities, and remedies established by the Federal Reserve Board under section 904 of the Electronic Fund Transfer Act (15 U.S.C. 1693b) shall not apply to benefits under this Act delivered through any electronic benefit transfer system.

"(B) DEFINITION OF ELECTRONIC BENEFIT TRANSFER SYSTEM.—In this paragraph, the term 'electronic benefit transfer system' means a system under which a governmental entity distributes benefits under this Act or other benefits or payments by establishing accounts to be accessed by recipients of the benefits electronically, including through the use of an automated teller machine, a point-of-sale terminal, or an intelligent benefit card.

"(2) CHARGING FOR ELECTRONIC BENEFIT TRANSFER CARD REPLACEMENT.—

"(A) IN GENERAL.—A State agency may charge an individual for the cost of replacing a lost or stolen electronic benefit transfer card.

"(B) REDUCING ALLOTMENT.—A State agency may collect a charge imposed under subparagraph (A) by reducing the monthly allotment of the household of which the individual is a member.

"(3) OPTIONAL PHOTOGRAPHIC IDENTIFICATION.—

"(A) IN GENERAL.—A State agency may require that an electronic benefit card contain a photograph of 1 or more members of a household.

"(B) OTHER AUTHORIZED USERS.—If a State agency requires a photograph on an electronic benefit card under subparagraph (A), the State agency shall establish procedures to ensure that any other appropriate member of the household or any authorized representative of the household may utilize the card.".

SEC. 321. MINIMUM BENEFIT.

The proviso in section 8(a) of the Food Stamp Act of 1977 (7 U.S.C. 2017(a)) is amended by striking ", and shall be adjusted" and all that follows through "$5".

SEC. 322. BENEFITS ON RECERTIFICATION.

Section 8(c)(2)(B) of the Food Stamp Act of 1977 (7 U.S.C. 2017(c)(2)(B)) is amended by striking "of more than one month".

SEC. 323. OPTIONAL COMBINED ALLOTMENT FOR EXPEDITED HOUSEHOLDS.

Section 8(c) of the Food Stamp Act of 1977 (7 U.S.C. 2017(c)) is amended by striking paragraph (3) and inserting the following:

"(3) OPTIONAL COMBINED ALLOTMENT FOR EXPEDITED HOUSEHOLDS.—A State agency may provide to an eligible household applying after the 15th day of a month, in lieu of the initial allotment of the household and the regular allotment of the household for the following month, an allotment that is the aggregate of the initial allotment and the first regular allotment, which shall be provided in accordance with section 11(e)(3) in the case of a household that is not entitled to expedited service or in accordance with paragraphs (3) and (9) of section 11(e) in the case of a household that is entitled to expedited service.".

SEC. 324. FAILURE TO COMPLY WITH OTHER WELFARE AND PUBLIC ASSISTANCE PROGRAMS.

Section 8 of the Food Stamp Act of 1977 (7 U.S.C. 2017) is amended by striking subsection (d) and inserting the following:

"(d) REDUCTION OF PUBLIC ASSISTANCE BENEFITS.—

"(1) IN GENERAL.—If the benefits of a household are reduced under a Federal, State, or local law relating to a welfare or public assistance program for the failure to perform an action required under the law or program, for the duration of the reduction—

"(A) the household may not receive an increased allotment as the result of a decrease in the income of the household to the extent that the decrease is the result of the reduction; and

"(B) the State agency may reduce the allotment of the household by not more than 25 percent.

"(2) OPTIONAL METHOD.—In carrying out paragraph (1), a State agency may consider, for the duration of a reduction referred to under paragraph (1), the benefits of the household under a welfare or public assistance program before the reduction as income of the household after the reduction.".

SEC. 325. ALLOTMENTS FOR HOUSEHOLDS RESIDING IN INSTITUTIONS.

Section 8 of the Food Stamp Act of 1977 (7 U.S.C. 2017) is amended by adding at the end the following:

"(f) ALLOTMENTS FOR HOUSEHOLDS RESIDING IN INSTITUTIONS.—

"(1) IN GENERAL.—In the case of an individual who resides in a homeless shelter, or in an institution or center for the purpose of a drug or alcoholic treatment program, described in the last sentence of section 3(i), a State agency may provide an allotment for the individual to—

"(A) the institution as an authorized representative for the individual for a period that is less than 1 month; and

"(B) the individual, if the individual leaves the institution.

"(2) DIRECT PAYMENT.—A State agency may require an individual referred to in paragraph (1) to designate the shelter, institution, or center in which the individual resides as the authorized representative of the individual for the purpose of receiving an allotment.".

SEC. 326. OPERATION OF FOOD STAMP OFFICES.

Section 11 of the Food Stamp Act of 1977 (7 U.S.C. 2020) is amended—

(1) in subsection (e)—

(A) by striking paragraph (2) and inserting the following:

"(2)(A) that the State agency shall establish procedures governing the operation of food stamp offices that the State agency determines best serve households in the State, including households with special needs, such as households with elderly or disabled members, households in rural areas with low-income members, homeless individuals, households residing on reservations, and households in which a substantial number of members speak a language other than English.

"(B) In carrying out subparagraph (A), a State agency—

"(i) shall provide timely, accurate, and fair service to applicants for, and participants in, the food stamp program;

"(ii) shall permit an applicant household to apply to participate in the program on the same day that the household first contacts a food stamp office in person during office hours;

"(iii) shall consider an application filed on the date the applicant submits an application that contains the name, address, and signature of the applicant; and

"(iv) may establish operating procedures that vary for local food stamp offices to reflect regional and local differences within the State;";

(B) in paragraph (3) (as amended by section 309(b))—

(i) by striking "shall—" and all that follows through "provide each" and inserting "shall provide each"; and

(ii) by striking "(B) assist" and all that follows through "representative of the State agency;";

(C) by striking paragraph (14) and inserting the following:

"(14) the standards and procedures used by the State agency under section 6(d)(1)(D) to determine whether an individual is eligible to participate under section 6(d)(1)(A);"; and

(D) by striking paragraph (25) and inserting the following:

"(25) a description of the work supplementation or support program, if any, carried out by the State agency under section 16(b);"; and

(2) in subsection (i)—

(A) by striking "(i) Notwithstanding" and all that follows through "(2)" and inserting the following:

"(i) APPLICATION AND DENIAL PROCEDURES.—

"(1) APPLICATION PROCEDURES.—Notwithstanding any other provision of law,"; and

(B) by striking "; (3) households" and all that follows through "title IV of the Social Security Act. No" and inserting a period and the following:

"(2) DENIAL AND TERMINATION.—Other than in a case of disqualification as a penalty for failure to comply with a public assistance program rule or regulation, no".

SEC. 327. STATE EMPLOYEE AND TRAINING STANDARDS.

Section 11(e)(6) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(6)) is amended—

(1) by striking "(A)"; and

(2) by striking subparagraphs (B) through (E).

SEC. 328. EXCHANGE OF LAW ENFORCEMENT INFORMATION.

Section 11(e) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)) (as amended by section 315(b)) is further amended—

(1) in paragraph (8)—

(A) by striking "that (A) such" and inserting the following: "that—

"(A) the";

(B) by striking "law, (B) notwithstanding" and inserting the following: "law;

"(B) notwithstanding";

(C) by striking "Act, and (C) such" and inserting the following: "Act;

"(C) the"; and

(D) by adding at the end the following:

"(D) notwithstanding any other provision of law, the address, social security number, and, when available, photograph of any member of a household shall be made available, on request, to any Federal, State, or local law enforcement officer if the officer furnishes the State agency with the name of the member and notifies the agency that—

"(i) the member—

"(I) is fleeing to avoid prosecution, or custody or confinement after conviction, for a crime (or attempt to commit a crime) that, under the law of the place the member is fleeing, is a felony (or, in the case of New Jersey, a high misdemeanor), or is violating a condition of probation or parole imposed under Federal or State law; or

"(II) has information that is necessary for the officer to conduct the official duties of the officer;

"(ii) the location or apprehension of the member is an official duty of the officer; and

"(iii) the request is being made in the proper exercise of the official duties of the officer; and

"(E) the safeguards shall not prevent compliance with paragraph (27);"; and

(3) by adding at the end the following:

"(27) that the State agency shall furnish the Immigration and Naturalization Service with the name of, address of, and identifying information on any individual the State agency knows is unlawfully in the United States; and".

SEC. 329. EXPEDITED COUPON SERVICE.

Section 11(e)(9) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(9)) is amended—

(1) in subparagraph (A)—

(A) by striking "five days" and inserting "7 business days"; and

(B) by inserting "and" at the end;

(2) by striking subparagraphs (B) and (C);

(3) by redesignating subparagraph (D) as subparagraph (B); and

(4) in subparagraph (B) (as redesignated by paragraph (3)), by striking ", (B), or (C)".

SEC. 330. FAIR HEARINGS.

Section 11 of the Food Stamp Act of 1977 (7 U.S.C. 2020) is amended by adding at the end the following:

"(p) WITHDRAWING FAIR HEARING REQUESTS.—A household may withdraw, orally or in writing, a request by the household for a fair hearing under subsection (e)(10). If the withdrawal request is an oral request, the State agency shall provide a written notice to the household confirming the request and providing the household with an opportunity to request a hearing.".

SEC. 331. INCOME AND ELIGIBILITY VERIFICATION SYSTEM.

Section 11 of the Food Stamp Act of 1977 (7 U.S.C. 2020) (as amended by section 330) is further amended by adding at the end the following:

"(q) STATE VERIFICATION OPTION.—Notwithstanding any other provision of law, a State agency shall not be required to use an income and eligibility verification system established under section 1137 of the Social Security Act (42 U.S.C. 1320b-7).".

SEC. 332. COLLECTION OF OVERISSUANCES.

(a) IN GENERAL.—Section 13 of the Food Stamp Act of 1977 (7 U.S.C. 2022) is amended—

(1) by striking subsection (b) and inserting the following:

"(b) COLLECTION OF OVERISSUANCES.—

"(1) IN GENERAL.—Except as otherwise provided in this subsection, a State agency shall collect any overissuance of coupons issued to a household by—

"(A) reducing the allotment of the household;

"(B) withholding unemployment compensation from a member of the household under subsection (c);

"(C) recovering from Federal pay or a Federal income tax refund under subsection (d); or

"(D) any other means.

"(2) COST EFFECTIVENESS.—Paragraph (1) shall not apply if the State agency demonstrates to the satisfaction of the Secretary that all of the means referred to in paragraph (1) are not cost effective.

"(3) HARDSHIPS.—A State agency may not use an allotment reduction under paragraph (1)(A) as a means of collecting an overissuance from a household if the allotment reduction would cause a hardship on the household, as determined by the State agency.

"(4) MAXIMUM REDUCTION ABSENT FRAUD.—If a household received an overissuance of coupons without any member of the household being found ineligible to participate in the program under section 6(b)(1) and a State agency elects to reduce the allotment of the household under paragraph (1)(A), the State agency shall reduce the monthly allotment of the household under paragraph (1)(A) by the greater of—

"(A) 10 percent of the monthly allotment of the household; or

"(B) $10.

"(5) PROCEDURES.—A State agency shall collect an overissuance of coupons issued to a household under paragraph (1) in accordance with requirements established by the State agency for providing notice, electing a means of payment, and establishing a time schedule for payment."; and

(2) in subsection (d)—

(A) by striking "as determined under subsection (b) and except for claims arising from an error of the State agency," and inserting ", as determined under subsection (b)(1),"; and

(B) by inserting before the period at the end the following: "or a Federal income tax refund as authorized by section 3720A of title 31, United States Code".

(b) CONFORMING AMENDMENT.—Section 11(e)(8) of the Act (7 U.S.C. 2020(e)(8)) is amended—

(1) by striking "and excluding claims" and all that follows through "such section"; and

(2) by inserting before the semicolon at the end the following: "or a Federal income tax refund as authorized by section 3720A of title 31, United States Code".

SEC. 333. TERMINATION OF FEDERAL MATCH FOR OPTIONAL INFORMATION ACTIVITIES.

(a) IN GENERAL.—Section 16(a) of the Food Stamp Act of 1977 (7 U.S.C. 2025(a)) is amended—

(1) by striking paragraph (4); and

(2) by redesignating paragraphs (5) through (8) as paragraphs (4) through (7), respectively.

(b) CONFORMING AMENDMENT.—Section 16(g) of the Act (7 U.S.C. 2025(g)) is amended by striking "an amount equal to" and all that follows through "1991, of" and inserting "the amount provided under subsection (a)(5) for".

SEC. 334. STANDARDS FOR ADMINISTRATION.

(a) IN GENERAL.—Section 16 of the Food Stamp Act of 1977 (7 U.S.C. 2025) is amended by striking subsection (b).

(b) CONFORMING AMENDMENTS.—

(1) The first sentence of section 11(g) of the Act (7 U.S.C. 2020(g)) is amended by striking "the Secretary's standards for the efficient and effective administration of the program established under section 16(b)(1) or".

(2) Section 16(c)(1)(B) of the Act (7 U.S.C. 2025(c)(1)(B)) is amended by striking "pursuant to subsection (b)".

SEC. 335. WORK SUPPLEMENTATION OR SUPPORT PROGRAM.

Section 16 of the Food Stamp Act of 1977 (7 U.S.C. 2025) (as amended by section 334(a)) is further amended by inserting after subsection (a) the following:

"(b) WORK SUPPLEMENTATION OR SUPPORT PROGRAM.—

"(1) DEFINITION.—In this subsection, the term 'work supplementation or support program' means a program in which, as determined by the Secretary, public assistance (including any benefits provided under a program established by the State and the food stamp program) is provided to an employer to be used for hiring and employing a new employee who is a public assistance recipient.

"(2) PROGRAM.—A State agency may elect to use amounts equal to the allotment that would otherwise be allotted to a household under the food stamp program, but for the operation of this subsection, for the purpose of subsidizing or supporting jobs under a work supplementation or support program established by the State.

"(3) PROCEDURE.—If a State agency makes an election under paragraph (2) and identifies each household that participates in the food stamp program that contains an individual who is participating in the work supplementation or support program—

"(A) the Secretary shall pay to the State agency an amount equal to the value of the allotment that the household would be eligible to receive but for the operation of this subsection;

"(B) the State agency shall expend the amount paid under subparagraph (A) in accordance with the work supplementation or support program in lieu of providing the allotment that the household would receive but for the operation of this subsection;

"(C) for purposes of—

"(i) sections 5 and 8(a), the amount received under this subsection shall be excluded from household income and resources; and

"(ii) section 8(b), the amount received under this subsection shall be considered to be the value of an allotment provided to the household; and

"(D) the household shall not receive an allotment from the State agency for the period during which the member continues to participate in the work supplementation or support program.

"(4) OTHER WORK REQUIREMENTS.—No individual shall be excused, by reason of the fact that a State has a work supplementation or support program, from any work requirement under section 6(d), except during the periods in which the individual is employed under the work supplementation or support program.

"(5) MAXIMUM LENGTH OF PARTICIPATION.—A work supplementation or support program may not allow the participation of any individual for longer than 6 months, unless the Secretary approves a longer period.".

SEC. 336. WAIVER AUTHORITY.

Section 17(b)(1)(A) of the Food Stamp Act of 1977 (7 U.S.C. 2026(b)(1)(A)) is amended—

(1) by striking "benefits to eligible households, including" and inserting the following: "benefits to eligible households. The Secretary may waive the requirements of this Act to the extent necessary to conduct a pilot or experimental project, including a project designed to test innovative welfare reform, promote work, and allow conformity with other Federal, State, and local government assistance programs, except that a project involving the payment of benefits in the form of cash shall maintain the average value of allotments for affected households as a group. Pilot or experimental projects may include"; and

(2) by striking "The Secretary may waive" and all that follows through "sections 5 and 8 of this Act.".

SEC. 337. AUTHORIZATION OF PILOT PROJECTS.

The last sentence of section 17(b)(1)(A) of the Food Stamp Act of 1977 (7 U.S.C. 2026(b)(1)(A)) is amended by striking "1995" and inserting "2002".

SEC. 338. RESPONSE TO WAIVERS.

Section 17(b)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2026(b)(1)) is amended by adding at the end the following:

"(C) RESPONSE TO WAIVERS.—

"(i) RESPONSE.—Not later than 60 days after the date of receiving a request for a waiver under subparagraph (A), the Secretary shall provide a response that—

"(I) approves the waiver request;

"(II) denies the waiver request and explains any modification needed for approval of the waiver request;

"(III) denies the waiver request and explains the grounds for the denial; or

"(IV) requests clarification of the waiver request.

"(ii) FAILURE TO RESPOND.—If the Secretary does not provide a response under clause (i) not later than 60 days after receiving a request for a waiver, the waiver shall be considered approved.

"(iii) NOTICE OF DENIAL.—On denial of a waiver request under clause (i)(III), the Secretary shall provide a copy of the waiver request and the grounds for the denial to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.".

SEC. 339. PRIVATE SECTOR EMPLOYMENT INITIATIVES.

Section 17 of the Food Stamp Act of 1977 (7 U.S.C. 2026) is amended by adding at the end the following:

"(m) PRIVATE SECTOR EMPLOYMENT INITIATIVES.—

"(1) ELECTION TO PARTICIPATE.—

"(A) IN GENERAL.—Subject to the other provisions of this subsection, a State may elect to carry out a private sector employment initiative program under this subsection.

"(B) REQUIREMENT.—A State shall be eligible to carry out a private sector employment initiative under this subsection only if not less than 50 percent of the households that received food stamp benefits during the summer of 1993 also received benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) during the summer of 1993.

"(2) PROCEDURE.—A State that has elected to carry out a private sector employment initiative under paragraph (1) may use amounts equal to the food stamp allotments that would otherwise be allotted to a household under the food stamp program, but for the operation of this subsection, to provide cash benefits in lieu of the food stamp allotments to the household if the household is eligible under paragraph (3).

"(3) ELIGIBILITY.—A household shall be eligible to receive cash benefits under paragraph (2) if an adult member of the household—

"(A) has worked in unsubsidized employment in the private sector for not less than the preceding 90 days;

"(B) has earned not less than $350 per month from the employment referred to in subparagraph (A) for not less than the preceding 90 days;

"(C)(i) is eligible to receive benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.); or

"(ii) was eligible to receive benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) at the time the member first received cash benefits under this subsection and is no longer eligible for the State program because of earned income;

"(D) is continuing to earn not less than $350 per month from the employment referred to in subparagraph (A); and

"(E) elects to receive cash benefits in lieu of food stamp benefits under this subsection.

"(4) EVALUATION.—A State that operates a program under this subsection for 2 years shall provide to the Secretary a written evaluation of the impact of cash assistance under this subsection. The State agency shall determine the content of the evaluation.".

SEC. 340. REAUTHORIZATION OF APPROPRIATIONS.

The first sentence of section 18(a)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2027(a)(1)) is amended by striking "1995" and inserting "2002".

SEC. 341. REAUTHORIZATION OF PUERTO RICO NUTRITION ASSISTANCE PROGRAM.

The first sentence of section 19(a)(1)(A) of the Food Stamp Act of 1977 (7 U.S.C. 2028(a)(1)(A)) is amended by striking "$974,000,000" and all that follows through "fiscal year 1995" and inserting the following: "$1,143,000,000 for each of fiscal years 1995 and 1996, $1,182,000,000 for fiscal year 1997, $1,223,000,000 for fiscal year 1998, $1,266,000,000 for fiscal year 1999, $1,310,000,000 for fiscal year 2000, $1,343,000,000 for fiscal year 2001, and $1,376,000,000 for fiscal year 2002"

SEC. 342. SIMPLIFIED FOOD STAMP PROGRAM.

(a) IN GENERAL.—The Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) is amended by adding at the end the following:

"SEC. 24. SIMPLIFIED FOOD STAMP PROGRAM.

"(a) ELECTION.—Subject to subsection (c), a State agency may elect to carry out a Simplified Food Stamp Program (referred to in this section as a 'Program') under this section.

"(b) OPERATION OF PROGRAM.—

"(1) IN GENERAL.—If a State agency elects to carry out a Program, within the State or a political subdivision of the State—

"(A) a household in which all members receive assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) shall automatically be eligible to participate in the Program; and

"(B) subject to subsection (e), benefits under the Program shall be determined under rules and procedures established by the State under—

"(i) a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

"(ii) the food stamp program (other than section 25); or

"(iii) a combination of a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) and the food stamp program.

"(2) SHELTER STANDARD.—The State agency may elect to apply 1 shelter standard to a household that receives a housing subsidy and another shelter standard to a household that does not receive the subsidy.

"(c) APPROVAL OF PROGRAM.—

"(1) STATE PLAN.—A State agency may not operate a Program unless the Secretary approves a State plan for the operation of the Program under paragraph (2).

"(2) APPROVAL OF PLAN.—

"(A) IN GENERAL.—The Secretary shall approve any State plan to carry out a Program if the Secretary determines that the plan—

"(i) complies with this section; and

"(ii) would not increase Federal costs incurred under this Act.

"(B) DEFINITION OF FEDERAL COSTS.—In this section, the term 'Federal costs' does not include any Federal costs incurred under section 17.

"(d) INCREASED FEDERAL COSTS.—

"(1) DETERMINATION.—

"(A) IN GENERAL.—The Secretary shall determine whether a Program being carried out by a State agency is increasing Federal costs under this Act.

"(B) NO EXCLUDED HOUSEHOLDS.—In making a determination under subparagraph (A), the Secretary shall not require the State agency to collect or report any information on households not included in the Program.

"(C) ALTERNATIVE ACCOUNTING PERIODS.—The Secretary may approve the request of a State agency to apply alternative accounting periods to determine if Federal costs do not exceed the Federal costs had the State agency not elected to carry out the Program.

"(2) NOTIFICATION.—If the Secretary determines that the Program has increased Federal costs under this Act for any fiscal year, the Secretary shall notify the State agency not later than January 1 of the immediately succeeding fiscal year.

"(3) RETURN OF FUNDS.—

"(A) IN GENERAL.—If the Secretary determines that the Program has increased Federal costs under this Act for a 2-year period, including a fiscal year for which notice was given under paragraph (2) and an immediately succeeding fiscal year, the State agency shall pay to the Treasury of the United States the amount of the increased costs.

"(B) ENFORCEMENT.—If the State agency does not pay an amount due under subparagraph (A) on a date that is not later than 90 days after the date of the determination, the Secretary shall reduce amounts otherwise due to the State agency for administrative costs under section 16(a).

"(e) RULES AND PROCEDURES.—

"(1) IN GENERAL.—Except as provided by paragraph (2), a State may apply—

"(A) the rules and procedures established by the State under—

"(i) the State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.); or

"(ii) the food stamp program; or

"(B) the rules and procedures of 1 of the programs to certain matters and the rules and procedures of the other program to all remaining matters.

"(2) STANDARDIZED DEDUCTIONS.—The State may standardize the deductions provided under section 5(e). In developing the standardized deduction, the State shall give consideration to the work expenses, dependent care costs, and shelter costs of participating households.

"(3) REQUIREMENTS.—In operating a Program, the State shall comply with—

"(A) subsections (a) through (g) of section 7;

"(B) section 8(a), except that the income of a household may be determined under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

"(C) subsections (b) and (d) of section 8;

"(D) subsections (a), (c), (d), and (n) of section 11;

"(E) paragraph (3) of section 11(e), to the extent that the paragraph requires that an eligible household be certified and receive an allotment for the period of application not later than 30 days after filing an application;

"(F) paragraphs (8), (9), (12), (17), (19), (21), and (27) of section 11(e);

"(G) section 11(e)(10) or a comparable requirement established by the State under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.); and

"(H) section 16.".

(b) STATE PLAN PROVISIONS.—Section 11(e) of the Act (7 U.S.C. 2020(e)) (as amended by sections 315(b) and 328) is further amended by adding at the end the following:

"(28) the plans of the State agency for operating, at the election of the State, a program under section 24, including—

"(A) the rules and procedures to be followed by the State to determine food stamp benefits;

"(B) how the State will address the needs of households that experience high shelter costs in relation to the incomes of the households; and

"(C) a description of the method by which the State will carry out a quality control system under section 16(c).".

(c) CONFORMING AMENDMENTS.—

(1) Section 8 of the Act (7 U.S.C. 2017) (as amended by section 325) is further amended—

(A) by striking subsection (e); and

(B) by redesignating subsection (f) as subsection (e).

(2) Section 17 of the Act (7 U.S.C. 2026) (as amended by section 339) is further amended—

(A) by striking subsection (i); and

(B) by redesignating subsections (j) through (m) as subsections (i) through (l), respectively.

SEC. 343. OPTIONAL STATE FOOD ASSISTANCE BLOCK GRANT.

(a) IN GENERAL.—The Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) (as amended by section 342) is further amended by adding at the end the following:

"SEC. 25. OPTIONAL STATE FOOD ASSISTANCE BLOCK GRANT.

"(a) ESTABLISHMENT.—The Secretary shall establish a program to make grants to States in accordance with this section to provide—

"(1) food assistance to needy individuals and families residing in the State;

"(2) at the option of a State, wage subsidies and payments in return for work for needy individuals under the program;

"(3) funds to operate an employment and training program under section (g)(2) for needy individuals under the program; and

"(4) funds for administrative costs incurred in providing the assistance.

"(b) ELECTION.—

"(1) IN GENERAL.—The chief executive officer of a State may elect to participate in the program established under subsection (a).

"(2) ELECTION IRREVOCABLE.—A State that elects to participate in the program established under subsection (a) may not subsequently elect to participate in the food stamp program in accordance with any other section of this Act.

"(3) PROGRAM EXCLUSIVE.—A State that is participating in the program established under subsection (a) shall not be subject to any requirement, or receive any benefit, under this Act except as provided in this section.

"(c) LEAD AGENCY.—

"(1) DESIGNATION.—The chief executive officer of a State desiring to receive a grant under this section shall designate, in an application submitted to the Secretary under subsection (d)(1), an appropriate State agency that complies with paragraph (2) to act as the lead agency for the State.

"(2) DUTIES.—

"(A) IN GENERAL.—The lead agency shall—

"(i) administer, either directly, through other State agencies, or through local agencies, the assistance received under this section by the State;

"(ii) develop the State plan to be submitted to the Secretary under subsection (d)(1);

"(iii) in conjunction with the development of the State plan, hold at least 1 hearing in the State to provide to the public an opportunity to comment on the program under the State plan; and

"(iv) coordinate the provision of food assistance under this section with other Federal, State, and local programs.

"(B) DEVELOPMENT OF PLAN.—In the development of the State plan described in subparagraph (A)(ii), the lead agency shall consult with appropriate representatives of units of local government on issues relating to the State plan.

"(d) APPLICATION AND PLAN.—

"(1) APPLICATION.—To be eligible to receive assistance under this section, a State shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary shall by regulation require, including—

"(A) an assurance that the State will comply with the requirements of this section;

"(B) a State plan that meets the requirements of paragraph (3); and

"(C) an assurance that the State will comply with the requirements of the State plan under paragraph (3).

"(2) ANNUAL PLAN.—The State plan contained in the application under paragraph (1) shall be submitted for approval annually.

"(3) REQUIREMENTS OF PLAN.—

"(A) LEAD AGENCY.—The State plan shall identify the lead agency.

"(B) USE OF BLOCK GRANT FUNDS.—The State plan shall provide that the State shall use the amounts provided to the State for each fiscal year under this section—

"(i) to provide food assistance to needy individuals and families residing in the State;

"(ii) at the option of a State, to provide wage subsidies and payments in return for work under the program, including cash payments to needy individuals and families related to work effort;

"(iii) to operate an employment and training program under section (g)(2) for needy individuals under the program; and

"(iv) to pay administrative costs incurred in providing the assistance.

"(C) GROUPS SERVED.—The State plan shall describe how the program will serve specific groups of individuals and families and how the treatment will differ from treatment under the food stamp program under the other sections of this Act of the individuals and families, including—

"(i) elderly individuals and families;

"(ii) migrants or seasonal farmworkers;

"(iii) homeless individuals and families;

"(iv) individuals and families who live under the supervision of institutions (other than incarcerated individuals);

"(v) individuals and families with earnings; and

"(vi) members of Indian tribes or tribal organizations.

"(D) ASSISTANCE FOR ENTIRE STATE.—The State plan shall provide that benefits under this section shall be available throughout the entire State.

"(E) NOTICE AND HEARINGS.—The State plan shall provide that an individual or family who applies for, or receives, assistance under this section shall be provided with notice of, and an opportunity for a hearing on, any action under this section that adversely affects the individual or family.

"(F) OTHER ASSISTANCE.—

"(i) COORDINATION.—The State plan may coordinate assistance received under this section with assistance provided under the State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

"(ii) PENALTIES.—If an individual or family is penalized for violating part A of title IV of the Act, the State plan may reduce the amount of assistance provided under this section or otherwise penalize the individual or family.

"(G) ASSESSMENT OF NEEDS.—The State plan shall assess the food and nutrition needs of needy persons residing in the State.

"(H) ELIGIBILITY LIMITATIONS.—The State plan shall describe the income and resource eligibility limitations that are established for the receipt of assistance under this section.

"(I) RECEIVING BENEFITS IN MORE THAN 1 JURISDICTION.—The State plan shall establish a system to verify and otherwise ensure that no individual or family shall receive benefits under this section in more than 1 jurisdiction within the State.

"(J) PRIVACY.—The State plan shall provide for safeguarding and restricting the use and disclosure of information about any individual or family receiving assistance under this section.

"(K) OTHER INFORMATION.—The State plan shall contain such other information as may be required by the Secretary.

"(4) APPROVAL OF APPLICATION AND PLAN.—The Secretary shall approve an application and State plan that satisfies the requirements of this section.

"(e) LIMITATIONS ON STATE ALLOTMENTS.—

"(1) NO INDIVIDUAL OR FAMILY ENTITLEMENT TO ASSISTANCE.—Nothing in this section—

"(A) entitles any individual or family to assistance under this section; or

"(B) limits the right of a State to impose additional limitations or conditions on assistance under this section.

"(2) CONSTRUCTION OF FACILITIES.—No funds made available under this section shall be expended for the purchase or improvement of land, or for the purchase, construction, or permanent improvement of any building or facility.

"(f) BENEFITS FOR ALIENS.—

"(1) ELIGIBILITY.—No individual shall be eligible to receive benefits under a State plan approved under subsection (d)(4) if the individual is not eligible to participate in the food stamp program under section 6(f).

"(2) INCOME.—The State plan shall provide that the income of an alien shall be determined in accordance with section 5(i).

"(g) EMPLOYMENT AND TRAINING.—

"(1) WORK REQUIREMENTS.—No individual or member of a family shall be eligible to receive benefits under a State plan funded under this section if the individual is not eligible to participate in the food stamp program under subsection (d) or (n) of section 6.

"(2) WORK PROGRAMS.—Each State shall implement an employment and training program under section 6(d)(4) for needy individuals under the program.

"(h) ENFORCEMENT.—

"(1) REVIEW OF COMPLIANCE WITH STATE PLAN.—The Secretary shall review and monitor State compliance with this section and the State plan approved under subsection (d)(4).

"(2) NONCOMPLIANCE.—

"(A) IN GENERAL.—If the Secretary, after reasonable notice to a State and opportunity for a hearing, finds that—

"(i) there has been a failure by the State to comply substantially with any provision or requirement set forth in the State plan approved under subsection (d)(4); or

"(ii) in the operation of any program or activity for which assistance is provided under this section, there is a failure by the State to comply substantially with any provision of this section;

the Secretary shall notify the State of the finding and that no further payments will be made to the State under this section (or, in the case of noncompliance in the operation of a program or activity, that no further payments to the State will be made with respect to the program or activity) until the Secretary is satisfied that there is no longer any failure to comply or that the noncompliance will be promptly corrected.

"(B) OTHER SANCTIONS.—In the case of a finding of noncompliance made pursuant to subparagraph (A), the Secretary may, in addition to, or in lieu of, imposing the sanctions described in subparagraph (A), impose other appropriate sanctions, including recoupment of money improperly expended for purposes prohibited or not authorized by this section and disqualification from the receipt of financial assistance under this section.

"(C) NOTICE.—The notice required under subparagraph (A) shall include a specific identification of any additional sanction being imposed under subparagraph (B).

"(3) ISSUANCE OF REGULATIONS.—The Secretary shall establish by regulation procedures for—

"(A) receiving, processing, and determining the validity of complaints concerning any failure of a State to comply with the State plan or any requirement of this section; and

"(B) imposing sanctions under this section.

"(4) INCOME AND ELIGIBILITY VERIFICATION SYSTEM.—The Secretary may withhold not more than 5 percent of the amount allotted to a State under subsection (l)(2) if the State does not use an income and eligibility verification system established under section 1137 of the Social Security Act (42 U.S.C. 1320b-7).

"(i) PAYMENTS.—

"(1) IN GENERAL.—For each fiscal year, the Secretary shall pay to a State that has an application approved by the Secretary under subsection (d)(4) an amount that is equal to the allotment of the State under subsection (l)(2) for the fiscal year.

"(2) METHOD OF PAYMENT.—The Secretary shall make payments to a State for a fiscal year under this section by issuing 1 or more letters of credit for the fiscal year, with necessary adjustments on account of overpayments or underpayments, as determined by the Secretary.

"(3) SPENDING OF FUNDS BY STATE.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), payments to a State from an allotment under subsection (l)(2) for a fiscal year may be expended by the State only in the fiscal year.

"(B) CARRYOVER.—The State may reserve up to 10 percent of an allotment under subsection (l)(2) for a fiscal year to provide assistance under this section in subsequent fiscal years, except that the reserved funds may not exceed 30 percent of the total allotment received under this section for a fiscal year.

"(4) FOOD ASSISTANCE AND ADMINISTRATIVE EXPENDITURES.—In each fiscal year, of the Federal funds expended by a State under this section—

"(A) not less than 75 percent shall be for food assistance; and

"(B) not more than 6 percent shall be for administrative expenses.

"(5) PROVISION OF FOOD ASSISTANCE.—A State may provide food assistance under this section in any manner determined appropriate by the State to provide food assistance to needy individuals and families in the State, such as electronic benefits transfer limited to food purchases, coupons limited to food purchases, or direct provision of commodities.

"(6) DEFINITION OF FOOD ASSISTANCE.—In this section, the term 'food assistance' means assistance that may be used only to obtain food, as defined in section 3(g).

"(j) AUDITS.—

"(1) REQUIREMENT.—After the close of each fiscal year, a State shall arrange for an audit of the expenditures of the State during the program period from amounts received under this section.

"(2) INDEPENDENT AUDITOR.—An audit under this section shall be conducted by an entity that is independent of any agency administering activities that receive assistance under this section and be in accordance with generally accepted auditing principles.

"(3) PAYMENT ACCURACY.—Each annual audit under this section shall include an audit of payment accuracy under this section that shall be based on a statistically valid sample of the caseload in the State.

"(4) SUBMISSION.—Not later than 30 days after the completion of an audit under this section, the State shall submit a copy of the audit to the legislature of the State and to the Secretary.

"(5) REPAYMENT OF AMOUNTS.—Each State shall repay to the United States any amounts determined through an audit under this section to have not been expended in accordance with this section or to have not been expended in accordance with the State plan, or the Secretary may offset the amounts against any other amount paid to the State under this section.

"(k) NONDISCRIMINATION.—

"(1) IN GENERAL.—The Secretary shall not provide financial assistance for any program, project, or activity under this section if any person with responsibilities for the operation of the program, project, or activity discriminates with respect to the program, project, or activity because of race, religion, color, national origin, sex, or disability.

"(2) ENFORCEMENT.—The powers, remedies, and procedures set forth in title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) may be used by the Secretary to enforce paragraph (1).

"(l) ALLOTMENTS.—

"(1) DEFINITION OF STATE.—In this section, the term 'State' means each of the 50 States, the District of Columbia, Guam, and the Virgin Islands of the United States.

"(2) STATE ALLOTMENT.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), from the amounts made available under section 18 of this Act for each fiscal year, the Secretary shall allot to each State participating in the program established under this section an amount that is equal to the sum of—

"(i) the greater of, as determined by the Secretary—

"(I) the total dollar value of all benefits issued under the food stamp program established under this Act by the State during fiscal year 1994; or

"(II) the average per fiscal year of the total dollar value of all benefits issued under the food stamp program by the State during each of fiscal years 1992 through 1994; and

"(ii) the greater of, as determined by the Secretary—

"(I) the total amount received by the State for administrative costs and the employment and training program under subsections (a) and (h), respectively, of section 16 of this Act for fiscal year 1994; or

"(II) the average per fiscal year of the total amount received by the State for administrative costs and the employment and training program under subsections (a) and (h), respectively, of section 16 of this Act for each of fiscal years 1992 through 1994.

"(B) INSUFFICIENT FUNDS.—If the Secretary finds that the total amount of allotments to which States would otherwise be entitled for a fiscal year under subparagraph (A) will exceed the amount of funds that will be made available to provide the allotments for the fiscal year, the Secretary shall reduce the allotments made to States under this subsection, on a pro rata basis, to the extent necessary to allot under this subsection a total amount that is equal to the funds that will be made available.".

(b) RESEARCH ON OPTIONAL STATE FOOD ASSISTANCE BLOCK GRANT.—Section 17 of the Food Stamp Act of 1977 (7 U.S.C. 2026) (as amended by section 339 and 342(c)(2)) is further amended by adding at the end the following:

"(m) RESEARCH ON OPTIONAL STATE FOOD ASSISTANCE BLOCK GRANT.—The Secretary may conduct research on the effects and costs of a State program carried out under section 25.".

SEC. 344. EFFECTIVE DATE.

Except as otherwise provided in this subtitle, this subtitle and the amendments made by this subtitle shall become effective on October 1, 1995.

Subtitle B—Anti-Fraud and Trafficking

SEC. 351. EXPANDED DEFINITION OF COUPON.

Section 3(d) of the Food Stamp Act of 1977 (7 U.S.C. 2012(d)) is amended by striking "or type of certificate" and inserting "type of certificate, authorization card, cash or check issued as a coupon, or access device, including an electronic benefits transfer card or a personal identification number,".

SEC. 352. DOUBLED PENALTIES FOR VIOLATING FOOD STAMP PROGRAM REQUIREMENTS.

Section 6(b)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2015(b)(1)) is amended—

(1) in clause (i), by striking "six months upon" and inserting "1 year on"; and

(2) in clause (ii), by striking "1 year upon" and inserting "2 years on".

SEC. 353. AUTHORITY TO ESTABLISH AUTHORIZATION PERIODS.

Section 9(a) of the Food Stamp Act of 1977 (7 U.S.C. 2018(a)) is amended by adding at the end the following:

"(3) AUTHORIZATION PERIODS.—The Secretary is authorized to issue regulations establishing specific time periods during which authorization to accept and redeem coupons under the food stamp program shall be valid.".

SEC. 354. SPECIFIC PERIOD FOR PROHIBITING PARTICIPATION OF STORES BASED ON LACK OF BUSINESS INTEGRITY.

Section 9(a) of the Food Stamp Act of 1977 (7 U.S.C. 2018(a)) (as amended by section 353) is further amended by adding at the end the following:

"(4) PERIODS FOR PARTICIPATION OF STORES AND CONCERNS.—The Secretary may issue regulations establishing specific time periods during which a retail food store or wholesale food concern that has an application for approval to accept and redeem coupons denied, or that has an approval withdrawn, on the basis of business integrity and reputation cannot submit a new application for approval. The periods shall reflect the severity of business integrity infractions that are the basis of the denials or withdrawals.".

SEC. 355. INFORMATION FOR VERIFYING ELIGIBILITY FOR AUTHORIZATION.

Section 9(c) of the Food Stamp Act of 1977 (7 U.S.C. 2018(c)) is amended—

(1) in the first sentence, by inserting ", which may include relevant income and sales tax filing documents," after "submit information" ; and

(2) by inserting after the first sentence the following: "The regulations may require retail food stores and wholesale food concerns to provide written authorization for the Secretary to verify all relevant tax filings with appropriate agencies and to obtain corroborating documentation from other sources so that the accuracy of information provided by the stores and concerns may be verified.".

SEC. 356. WAITING PERIOD FOR STORES THAT INITIALLY FAIL TO MEET AUTHORIZATION CRITERIA.

Section 9(d) of the Food Stamp Act of 1977 (7 U.S.C. 2018(d)) is amended by adding at the end the following: "A retail food store or wholesale food concern that has an application for approval to accept and redeem coupons denied because the store or concern does not meet criteria for approval established by the Secretary by regulation may not submit a new application for 6 months after the date of the denial.".

SEC. 357. BASES FOR SUSPENSIONS AND DISQUALIFICATIONS.

Section 12 of the Food Stamp Act of 1977 (7 U.S.C. 2021) is amended—

(1) by striking the section heading;

(2) by striking "SEC. 12 (a) Any" and inserting the following:

"SEC. 12. CIVIL MONEY PENALTIES AND DISQUALIFICATION OF RETAIL FOOD STORES AND WHOLESALE FOOD CONCERNS.

"(a) DISQUALIFICATION.—

"(1) IN GENERAL.—Any"; and

(3) in subsection (a), by adding at the end the following:

"(2) BASIS.—Regulations issued pursuant to this Act shall provide criteria for the finding of a violation, and the suspension or disqualification of a retail food store or wholesale food concern, on the basis of evidence that may include facts established through on-site investigations, inconsistent redemption data, or evidence obtained through transaction reports under electronic benefits transfer systems.".

SEC. 358. DISQUALIFICATION OF STORES PENDING JUDICIAL AND ADMINISTRATIVE REVIEW.

(a) AUTHORITY.—Section 12(a) of the Food Stamp Act of 1977 (7 U.S.C. 2021(a)) (as amended by section 357) is further amended by adding at the end the following:

"(3) DISQUALIFICATION PENDING REVIEW.—The regulations may establish criteria under which the authorization of a retail food store or wholesale food concern to accept and redeem coupons may be suspended at the time the store or concern is initially found to have committed a violation of a requirement of the food stamp program that would result in a permanent disqualification. The suspension may coincide with the period of a review under section 14. The Secretary shall not be liable for the value of any sales lost during a suspension or disqualification period.".

(b) REVIEW.—Section 14(a) of the Act (7 U.S.C. 2023(a)) is amended—

(1) in the first sentence, by striking "disqualified or subjected" and inserting "suspended, disqualified, or subjected";

(2) in the fifth sentence, by inserting before the period at the end the following: ", except that, in the case of the suspension of a retail food store or wholesale food concern under section 12(a)(3), the suspension shall remain in effect pending any judicial or administrative review of the proposed disqualification action, and the period of suspension shall be considered a part of any period of disqualification that is imposed"; and

(3) by striking the last sentence.

SEC. 359. DISQUALIFICATION OF RETAILERS WHO ARE DISQUALIFIED UNDER THE WIC PROGRAM.

Section 12 of the Food Stamp Act of 1977 (7 U.S.C. 2021) is amended by adding at the end the following:

"(g) DISQUALIFICATION OF RETAILERS WHO ARE DISQUALIFIED UNDER THE WIC PROGRAM.—

"(1) IN GENERAL.—The Secretary shall issue regulations providing criteria for the disqualification of an approved retail food store and a wholesale food concern that is disqualified from accepting benefits under the special supplemental nutrition program for women, infants, and children established under section 17 of the Child Nutrition Act of 1966 (7 U.S.C. 1786).

"(2) TERMS.—A disqualification under paragraph (1)—

"(A) shall be for the same period as the disqualification from the program referred to in paragraph (1);

"(B) may begin at a later date than the disqualification from the program referred to in paragraph (1); and

"(C) notwithstanding section 14, shall not be subject to judicial or administrative review.".

SEC. 360. PERMANENT DEBARMENT OF RETAILERS WHO INTENTIONALLY SUBMIT FALSIFIED APPLICATIONS.

Section 12 of the Food Stamp Act of 1977 (7 U.S.C. 2021) (as amended by section 359) is further amended by adding at the end the following:

"(h) FALSIFIED APPLICATIONS.—

"(1) IN GENERAL.—The Secretary shall issue regulations providing for the permanent disqualification of a retail food store, or wholesale food concern, that knowingly submits an application for approval to accept and redeem coupons that contains false information about a substantive matter that was, or could have been, a basis for approving the application.

"(2) REVIEW.—A disqualification under paragraph (1) shall be subject to judicial and administrative review under section 14, except that the disqualification shall remain in effect pending the review.".

SEC. 361. EXPANDED CRIMINAL FORFEITURE FOR VIOLATIONS.

(a) FORFEITURE OF ITEMS EXCHANGED IN FOOD STAMP TRAFFICKING.—The first sentence of section 15(g) of the Food Stamp Act of 1977 (7 U.S.C. 2024(g)) is amended by striking "or intended to be furnished".

(b) CRIMINAL FORFEITURE.—Section 15 of the Act (7 U.S.C. 2024)) is amended by adding at the end the following:

"(h) CRIMINAL FORFEITURE.—

"(A) IN GENERAL.—Any person convicted of violating subsection (b) or (c) involving food stamp benefits having an aggregate value of not less than $5,000, shall forfeit to the United States—

"(i) any food stamp benefits and any property constituting, or derived from, or traceable to any proceeds the person obtained directly or indirectly as a result of the violation; and

"(ii) any food stamp benefits and any property of the person used, or intended to be

used, in any manner or part, to commit, or to facilitate the commission of the violation.

"(B) SENTENCE.—In imposing a sentence on a person under subparagraph (A), a court shall order that the person forfeit to the United States all property described in this subsection.

"(C) PROCEDURES.—Any food stamp benefits or property subject to forfeiture under this subsection, any seizure or disposition of the benefits or property, and any administrative or judicial proceeding relating to the benefits or property, shall be governed by subsections (b), (c), (e), and (g) through (p) of section 413 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 853), if not inconsistent with this subsection.

"(3) EXCLUDED PROPERTY.—This subsection shall not apply to property referred to in subsection (g).".

SEC. 362. EFFECTIVE DATE.

This subtitle and the amendments made by this subtitle shall become effective on October 1, 1995.

TITLE IV—CHILD NUTRITION PROGRAMS

Subtitle A—Reimbursement Rates

SEC. 401. TERMINATION OF ADDITIONAL PAYMENT FOR LUNCHES SERVED IN HIGH FREE AND REDUCED PRICE PARTICIPATION SCHOOLS.

(a) IN GENERAL.—Section 4(b)(2) of the National School Lunch Act (42 U.S.C. 1753(b)(2)) is amended by striking "except that" and all that follows through "2 cents more".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on July 1, 1996.

SEC. 402. VALUE OF FOOD ASSISTANCE.

(a) IN GENERAL.—Section 6(e)(1) of the National School Lunch Act (42 U.S.C. 1755(e)(1)) is amended by striking subparagraph (B) and inserting the following:

"(B) ADJUSTMENTS.—

"(i) IN GENERAL.—The value of food assistance for each meal shall be adjusted each July 1 by the annual percentage change in a 3-month average value of the Price Index for Foods Used in Schools and Institutions for March, April, and May each year.

"(ii) ADJUSTMENTS.—Except as otherwise provided in this subparagraph, in the case of each school year, the Secretary shall—

"(I) base the adjustment made under clause (i) on the amount of the unrounded adjustment for the preceding school year;

"(II) adjust the resulting amount in accordance with clause (i); and

"(III) round the result to the nearest lower cent increment.

"(iii) ADJUSTMENT ON JANUARY 1, 1996.—On January 1, 1996, the Secretary shall adjust the value of food assistance for the remainder of the school year by rounding the previously established value of food assistance to the nearest lower cent increment.

"(iv) ADJUSTMENT FOR 1996–97 SCHOOL YEAR.—In the case of the school year beginning July 1, 1996, the value of food assistance shall be the same as the value of food assistance in effect on June 30, 1996.

"(v) ADJUSTMENT FOR 1997–98 SCHOOL YEAR.—In the case of the school year beginning July 1, 1997, the Secretary shall—

"(I) base the adjustment made under clause (i) on the amount of the unrounded adjustment for the value of food assistance for the school year beginning July 1, 1995;

"(II) adjust the resulting amount to reflect the annual percentage change in a 3-month average value of the Price Index for Foods Used in Schools and Institutions for March, April, and May for the most recent 12-month period for which the data are available; and

"(III) round the result to the nearest lower cent increment.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall become effective on January 1, 1996.

SEC. 403. LUNCHES, BREAKFASTS, AND SUPPLEMENTS.

(a) IN GENERAL.—Section 11(a)(3)(B) of the National School Lunch Act (42 U.S.C. 1759a(a)(3)(B)) is amended—

(1) by designating the second and third sentences as subparagraphs (C) and (D), respectively; and

(2) by striking subparagraph (D) (as so designated) and inserting the following:

"(D) ROUNDING.—Except as otherwise provided in this paragraph, in the case of each school year, the Secretary shall—

"(i) base the adjustment made under this paragraph on the amount of the unrounded adjustment for the preceding school year;

"(ii) adjust the resulting amount in accordance with subparagraphs (B) and (C); and

"(iii) round the result to the nearest lower cent increment.

"(E) ADJUSTMENT ON JANUARY 1, 1996.—On January 1, 1996, the Secretary shall adjust the rates and factor for the remainder of the school year by rounding the previously established rates and factor to the nearest lower cent increment.

"(F) ADJUSTMENT FOR 24-MONTH PERIOD BEGINNING JULY 1, 1996.—In the case of the 24-month period beginning July 1, 1996, the national average payment rates for paid lunches, paid breakfasts, and paid supplements shall be the same as the national average payment rate for paid lunches, paid breakfasts, and paid supplements, respectively, for the school year beginning July 1, 1995, rounded to the nearest lower cent increment.

"(G) ADJUSTMENT FOR SCHOOL YEAR BEGINNING JULY 1, 1998.—In the case of the school year beginning July 1, 1998, the Secretary shall—

"(i) base the adjustments made under this paragraph for—

"(I) paid lunches and paid breakfasts on the amount of the unrounded adjustment for paid lunches for the school year beginning July 1, 1995; and

"(II) paid supplements on the amount of the unrounded adjustment for paid supplements for the school year beginning July 1, 1995;

"(ii) adjust each resulting amount in accordance with subparagraph (C); and

"(iii) round each result to the nearest lower cent increment.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall become effective on January 1, 1996.

SEC. 404. SUMMER FOOD SERVICE PROGRAM FOR CHILDREN.

(a) IN GENERAL.—Section 13(b) of the National School Lunch Act (42 U.S.C. 1761(b)) is amended—

(1) by striking "(b)(1)" and all that follows through the end of paragraph (1) and inserting the following:

"(b) SERVICE INSTITUTIONS.—

"(1) PAYMENTS.—

"(A) IN GENERAL.—Except as otherwise provided in this paragraph, payments to service institutions shall equal the full cost of food service operations (which cost shall include the costs of obtaining, preparing, and serving food, but shall not include administrative costs).

"(B) MAXIMUM AMOUNTS.—Subject to subparagraph (C), payments to any institution under subparagraph (A) shall not exceed—

"(i) $2 for each lunch and supper served;

"(ii) $1.20 for each breakfast served; and

"(iii) 50 cents for each meal supplement served.

"(C) ADJUSTMENTS.—Amounts specified in subparagraph (B) shall be adjusted each January 1 to the nearest lower cent increment in accordance with the changes for the 12-month period ending the preceding November 30 in the series for food away from home of the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor. Each adjustment shall be based on the unrounded adjustment for the prior 12-month period.";

(2) in the second sentence of paragraph (3), by striking "levels determined" and all that follows through "this subsection" and inserting "level determined by the Secretary"; and

(3) by striking paragraph (4).

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall become effective on January 1, 1996.

SEC. 405. SPECIAL MILK PROGRAM.

(a) IN GENERAL.—Section 3(a) of the Child Nutrition Act of 1966 (42 U.S.C. 1772(a)) is amended by striking paragraph (8) and inserting the following:

"(8) ADJUSTMENTS.—

"(A) IN GENERAL.—Except as otherwise provided in this paragraph, in the case of each school year, the Secretary shall—

"(i) base the adjustment made under paragraph (7) on the amount of the unrounded adjustment for the preceding school year;

"(ii) adjust the resulting amount in accordance with paragraph (7); and

"(iii) round the result to the nearest lower cent increment.

"(B) ADJUSTMENT ON JANUARY 1, 1996.—On January 1, 1996, the Secretary shall adjust the minimum rate for the remainder of the school year by rounding the previously established minimum rate to the nearest lower cent increment.

"(C) ADJUSTMENT FOR 1996–97 SCHOOL YEAR.—In the case of the school year beginning July 1, 1996, the minimum rate shall be the same as the minimum rate in effect on June 30, 1996.

"(D) ADJUSTMENT FOR 1997–98 SCHOOL YEAR.—In the case of the school year beginning July 1, 1997, the Secretary shall—

"(i) base the adjustment made under paragraph (7) on the amount of the unrounded adjustment for the minimum rate for the school year beginning July 1, 1995;

"(ii) adjust the resulting amount to reflect changes in the Producer Price Index for Fresh Processed Milk published by the Bureau of Labor Statistics of the Department of Labor for the most recent 12-month period for which the data are available; and

"(iii) round the result to the nearest lower cent increment.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on January 1, 1996.

SEC. 406. FREE AND REDUCED PRICE BREAKFASTS.

(a) IN GENERAL.—Section 4(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)) is amended—

(1) in the second sentence of paragraph (1)(B), by striking ", adjusted to the nearest one-fourth cent" and inserting "(as adjusted pursuant to section 11(a) of the National School Lunch Act (42 U.S.C. 1759a(a))"; and

(2) in paragraph (2)(B)(ii)—

(A) by striking "nearest one-fourth cent" and inserting "nearest lower cent increment for the applicable school year"; and

(B) by inserting before the period at the end the following: ", and the adjustment required by this clause shall be based on the

unrounded adjustment for the preceding school year".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall become effective on July 1, 1996.

SEC. 407. CONFORMING REIMBURSEMENT FOR PAID BREAKFASTS AND LUNCHES.

(a) IN GENERAL.—The last sentence of section 4(b)(1)(B) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)(1)(B)) is amended by striking "8.25 cents" and all that follows through "Act)" and inserting "the same as the national average lunch payment for paid meals established under section 4(b) of the National School Lunch Act (42 U.S.C. 1753(b))".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on January 1, 1996.

Subtitle B—Grant Programs

SEC. 411. SCHOOL BREAKFAST STARTUP GRANTS.

Section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) is amended by striking subsection (g).

SEC. 412. NUTRITION EDUCATION AND TRAINING PROGRAMS.

Section 19(i)(2)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1788(i)(2)(A)) is amended by striking "$10,000,000" and inserting "$7,000,000".

SEC. 413. EFFECTIVE DATE.

The amendments made by this subtitle shall become effective on October 1, 1996.

Subtitle C—Other Amendments

SEC. 421. FREE AND REDUCED PRICE POLICY STATEMENT.

(a) SCHOOL LUNCH PROGRAM.—Section 9(b)(2) of the National School Lunch Act (42 U.S.C. 1758(b)(2)) is amended by adding at the end the following:

"(D) FREE AND REDUCED PRICE POLICY STATEMENT.—After the initial submission, a school shall not be required to submit a free and reduced price policy statement to a State educational agency under this Act unless there is a substantive change in the free and reduced price policy of the school. A routine change in the policy of a school, such as an annual adjustment of the income eligibility guidelines for free and reduced price meals, shall not be sufficient cause for requiring the school to submit a policy statement.".

(b) SCHOOL BREAKFAST PROGRAM.—Section 4(b)(1) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)(1)) is amended by adding at the end the following:

"(E) FREE AND REDUCED PRICE POLICY STATEMENT.—After the initial submission, a school shall not be required to submit a free and reduced price policy statement to a State educational agency under this Act unless there is a substantive change in the free and reduced price policy of the school. A routine change in the policy of a school, such as an annual adjustment of the income eligibility guidelines for free and reduced price meals, shall not be sufficient cause for requiring the school to submit a policy statement.".

SEC. 422. SUMMER FOOD SERVICE PROGRAM FOR CHILDREN.

(a) PERMITTING OFFER VERSUS SERVE.—Section 13(f) of the National School Lunch Act (42 U.S.C. 1761(f)) is amended—

(1) by striking "(f) Service" and inserting the following:

"(f) NUTRITIONAL STANDARDS.—

"(1) IN GENERAL.—Service"; and

(2) by adding at the end the following:

"(2) OFFER VERSUS SERVE.—A school food authority participating as a service institution may permit a child attending a site on school premises operated directly by the authority to refuse not more than 1 item of a meal that the child does not intend to consume. A refusal of an offered food item shall not affect the amount of payments made under this section to a school for the meal.".

(b) REMOVING MANDATORY NOTICE TO INSTITUTIONS.—Section 13(n)(2) of the Act is amended by striking "and its plans and schedule" and inserting "except that the Secretary may not require a State to submit a plan or schedule".

SEC. 423. CHILD AND ADULT CARE FOOD PROGRAM.

(a) PAYMENTS TO SPONSOR EMPLOYEES.—Paragraph (2) of the last sentence of section 17(a) of the National School Lunch Act (42 U.S.C. 1766(a)) is amended—

(1) by striking "and" at the end of subparagraph (B);

(2) by striking the period at the end of subparagraph (C) and inserting "; and"; and

(3) by adding at the end the following:

"(D) in the case of a family or group day care home sponsoring organization that employs more than 1 employee, the organization does not base payments to an employee of the organization on the number of family or group day care homes recruited, managed, or monitored.".

(b) IMPROVED TARGETING OF DAY CARE HOME REIMBURSEMENTS.—

(1) RESTRUCTURED DAY CARE HOME REIMBURSEMENTS.—Section 17(f)(3) of the Act is amended by striking "(3)(A) Institutions" and all that follows through the end of subparagraph (A) and inserting the following:

"(3) REIMBURSEMENT OF FAMILY OR GROUP DAY CARE HOME SPONSORING ORGANIZATIONS.—

"(A) REIMBURSEMENT FACTOR.—

"(i) IN GENERAL.—An institution that participates in the program under this section as a family or group day care home sponsoring organization shall be provided, for payment to a home sponsored by the organization, reimbursement factors in accordance with this subparagraph for the cost of obtaining and preparing food and prescribed labor costs involved in providing meals under this section.

"(ii) TIER I FAMILY OR GROUP DAY CARE HOMES.—

"(I) DEFINITION.—In this paragraph, the term 'tier I family or group day care home' means—

"(aa) a family or group day care home that is located in a geographic area, as defined by the Secretary based on census data, in which at least 50 percent of the children residing in the area are members of households whose incomes meet the income eligibility guidelines for free or reduced price meals under section 9;

"(bb) a family or group day care home that is located in an area served by a school enrolling elementary students in which at least 50 percent of the total number of children enrolled are certified eligible to receive free or reduced price school meals under this Act or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.); or

"(cc) a family or group day care home that is operated by a provider whose household meets the income eligibility guidelines for free or reduced price meals under section 9 and whose income is verified by the sponsoring organization of the home under regulations established by the Secretary.

"(II) REIMBURSEMENT.—Except as provided in subclause (III), a tier I family or group day care home shall be provided reimbursement factors under this clause without a requirement for documentation of the costs described in clause (i), except that reimbursement shall not be provided under this subclause for meals or supplements served to the children of a person acting as a family or group day care home provider unless the children meet the income eligibility guidelines for free or reduced price meals under section 9.

"(III) FACTORS.—Except as provided in subclause (IV), the reimbursement factors applied to a home referred to in subclause (II) shall be the factors in effect on the date of enactment of this subclause.

"(IV) ADJUSTMENTS.—The reimbursement factors under this subparagraph shall be adjusted on August 1, 1996, July 1, 1997, and each July 1 thereafter, to reflect changes in the Consumer Price Index for food at home for the most recent 12-month period for which the data are available. The reimbursement factors under this subparagraph shall be rounded to the nearest lower cent increment and based on the unrounded adjustment in effect on June 30 of the preceding school year.

"(iii) TIER II FAMILY OR GROUP DAY CARE HOMES.—

"(I) IN GENERAL.—

"(aa) FACTORS.—Except as provided in subclause (II), with respect to meals or supplements served under this clause by a family or group day care home that does not meet the criteria set forth in clause (ii)(I), the reimbursement factors shall be $1 for lunches and suppers, 30 cents for breakfasts, and 15 cents for supplements.

"(bb) ADJUSTMENTS.—The factors shall be adjusted on July 1, 1997, and each July 1 thereafter, to reflect changes in the Consumer Price Index for food at home for the most recent 12-month period for which the data are available. The reimbursement factors under this item shall be rounded down to the nearest lower cent increment and based on the unrounded adjustment for the preceding 12-month period.

"(cc) REIMBURSEMENT.—A family or group day care home shall be provided reimbursement factors under this subclause without a requirement for documentation of the costs described in clause (i), except that reimbursement shall not be provided under this subclause for meals or supplements served to the children of a person acting as a family or group day care home provider unless the children meet the income eligibility guidelines for free or reduced price meals under section 9.

"(II) OTHER FACTORS.—A family or group day care home that does not meet the criteria set forth in clause (ii)(I) may elect to be provided reimbursement factors determined in accordance with the following requirements:

"(aa) CHILDREN ELIGIBLE FOR FREE OR REDUCED PRICE MEALS.—In the case of meals or supplements served under this subsection to children who are members of households whose incomes meet the income eligibility guidelines for free or reduced price meals under section 9, the family or group day care home shall be provided reimbursement factors set by the Secretary in accordance with clause (ii)(III).

"(bb) INELIGIBLE CHILDREN.—In the case of meals or supplements served under this subsection to children who are members of households whose incomes do not meet the income eligibility guidelines, the family or group day care home shall be provided reimbursement factors in accordance with subclause (I).

"(III) INFORMATION AND DETERMINATIONS.—

"(aa) IN GENERAL.—If a family or group day care home elects to claim the factors described in subclause (II), the family or group day care home sponsoring organization serving the home shall collect the necessary income information, as determined by the Secretary, from any parent or other caretaker to make the determinations specified in subclause (II) and shall make the determinations in accordance with rules prescribed by the Secretary.

"(bb) CATEGORICAL ELIGIBILITY.—In making a determination under item (aa), a family or group day care home sponsoring organization may consider a child participating in or subsidized under, or a child with a parent participating in or subsidized under, a federally or State supported child care or other benefit program with an income eligibility limit that does not exceed the eligibility standard for free or reduced price meals under section 9 to be a child who is a member of a household whose income meets the income eligibility guidelines under section 9.

"(cc) FACTORS FOR CHILDREN ONLY.—A family or group day care home may elect to receive the reimbursement factors prescribed under clause (ii)(III) solely for the children participating in a program referred to in item (bb) if the home elects not to have income statements collected from parents or other caretakers.

"(IV) SIMPLIFIED MEAL COUNTING AND REPORTING PROCEDURES.—The Secretary shall prescribe simplified meal counting and reporting procedures for use by a family or group day care home that elects to claim the factors under subclause (II) and by a family or group day care home sponsoring organization that sponsors the home. The procedures the Secretary prescribes may include 1 or more of the following:

"(aa) Setting an annual percentage for each home of the number of meals served that are to be reimbursed in accordance with the reimbursement factors prescribed under clause (ii)(III) and an annual percentage of the number of meals served that are to be reimbursed in accordance with the reimbursement factors prescribed under subclause (I), based on the family income of children enrolled in the home in a specified month or other period.

"(bb) Placing a home into 1 of 2 or more reimbursement categories annually based on the percentage of children in the home whose households have incomes that meet the income eligibility guidelines under section 9, with each such reimbursement category carrying a set of reimbursement factors such as the factors prescribed under clause (ii)(III) or subclause (I) or factors established within the range of factors prescribed under clause (ii)(III) and subclause (I).

"(cc) Such other simplified procedures as the Secretary may prescribe.

"(V) MINIMUM VERIFICATION REQUIREMENTS.—The Secretary may establish any necessary minimum verification requirements.".

(2) GRANTS TO STATES TO PROVIDE ASSISTANCE TO FAMILY OR GROUP DAY CARE HOMES.—Section 17(f)(3) of the Act is amended by adding at the end the following:

"(D) GRANTS TO STATES TO PROVIDE ASSISTANCE TO FAMILY OR GROUP DAY CARE HOMES.—

"(i) IN GENERAL.—

"(I) RESERVATION.—From amounts made available to carry out this section, the Secretary shall reserve $5,000,000 of the amount made available for fiscal year 1996.

"(II) PURPOSE.—The Secretary shall use the funds made available under subclause (I) to provide grants to States for the purpose of providing—

"(aa) assistance, including grants, to family and day care home sponsoring organizations and other appropriate organizations, in securing and providing training, materials, automated data processing assistance, and other assistance for the staff of the sponsoring organizations; and

"(bb) training and other assistance to family and group day care homes in the implementation of the amendments to subparagraph (A) made by section 423(b)(1) of the Work Opportunity Act of 1995.

"(ii) ALLOCATION.—The Secretary shall allocate from the funds reserved under clause (i)(I)—

"(I) $30,000 in base funding to each State; and

"(II) any remaining amount among the States, based on the number of family day care homes participating in the program in a State during fiscal year 1994 as a percentage of the number of all family day care homes participating in the program during fiscal year 1994.

"(iii) RETENTION OF FUNDS.—Of the amount of funds made available to a State for fiscal year 1996 under clause (i), the State may retain not to exceed 30 percent of the amount to carry out this subparagraph.

"(iv) ADDITIONAL PAYMENTS.—Any payments received under this subparagraph shall be in addition to payments that a State receives under subparagraph (A) (as amended by section 423(b)(1) of the Work Opportunity Act of 1995).".

(3) PROVISION OF DATA.—Section 17(f)(3) of the Act (as amended by paragraph (2)) is further amended by adding at the end the following:

"(E) PROVISION OF DATA TO FAMILY OR GROUP DAY CARE HOME SPONSORING ORGANIZATIONS.—

"(i) CENSUS DATA.—The Secretary shall provide to each State agency administering a child and adult care food program under this section data from the most recent decennial census survey or other appropriate census survey for which the data are available showing which areas in the State meet the requirements of subparagraph (A)(ii)(I)(aa). The State agency shall provide the data to family or group day care home sponsoring organizations located in the State.

"(ii) SCHOOL DATA.—

"(I) IN GENERAL.—A State agency administering the school lunch program under this Act or the school breakfast program under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) shall provide data for each elementary school in the State, or shall direct each school within the State to provide data for the school, to approved family or group day care home sponsoring organizations that request the data, on the percentage of enrolled children who are eligible for free or reduced price meals.

"(II) USE OF DATA FROM PRECEDING SCHOOL YEAR.—In determining for a fiscal year or other annual period whether a home qualifies as a tier I family or group day care home under subparagraph (A)(ii)(I), the State agency administering the program under this section, and a family or group day care home sponsoring organization, shall use the most current available data at the time of the determination.

"(iii) DURATION OF DETERMINATION.—For purposes of this section, a determination that a family or group day care home is located in an area that qualifies the home as a tier I family or group day care home (as the term is defined in subparagraph (A)(ii)(I)), shall be in effect for 3 years (unless the determination is made on the basis of census data, in which case the determination shall remain in effect until more recent census data are available) unless the State agency determines that the area in which the home is located no longer qualifies the home as a tier I family or group day care home.".

(4) CONFORMING AMENDMENTS.—Section 17(c) of the Act is amended by inserting "except as provided in subsection (f)(3)," after "For purposes of this section," each place it appears in paragraphs (1), (2), and (3).

(c) DISALLOWING MEAL CLAIMS.—The fourth sentence of section 17(f)(4) of the Act is amended by inserting "(including institutions that are not family or group day care home sponsoring organizations)" after "institutions".

(d) ELIMINATION OF STATE PAPERWORK AND OUTREACH BURDEN.—Section 17 of the Act is amended by striking subsection (k) and inserting the following:

"(k) TRAINING AND TECHNICAL ASSISTANCE.—A State participating in the program established under this section shall provide sufficient training, technical assistance, and monitoring to facilitate effective operation of the program. The Secretary shall assist the State in developing plans to fulfill the requirements of this subsection.".

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall become effective on the date of enactment of this Act.

(2) IMPROVED TARGETING OF DAY CARE HOME REIMBURSEMENTS.—The amendments made by paragraphs (1), (3), and (4) of subsection (b) shall become effective on August 1, 1996.

SEC. 424. REDUCING REQUIRED REPORTS TO STATE AGENCIES AND SCHOOLS.

Section 19 of the National School Lunch Act (42 U.S.C. 1769a) is amended by striking subsection (c) and inserting the following:

"(c) REPORT.—Not later than 1 year after the date of enactment of the Work Opportunity Act of 1995, the Secretary shall—

"(1) review all reporting requirements under this Act and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) that are in effect, as of the date of enactment of the Work Opportunity Act of 1995, for agencies and schools referred to in subsection (a); and

"(2) provide a report to the Committee on Economic and Educational Opportunities of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate that—

"(A) describes the reporting requirements described in paragraph (1) that are required by law;

"(B) makes recommendations concerning the elimination of any requirement described in subparagraph (A) because the contribution of the requirement to program effectiveness is not sufficient to warrant the paperwork burden that is placed on agencies and schools referred to in subsection (a); and

"(C) provides a justification for reporting requirements described in paragraph (1) that are required solely by regulation.".

Subtitle D—Reauthorization

SEC. 431. COMMODITY DISTRIBUTION PROGRAM; COMMODITY SUPPLEMENTAL FOOD PROGRAM.

(a) REAUTHORIZATION.—The first sentence of section 4(a) of the Agriculture and Consumer Protection Act of 1973 (Public Law 93-86; 7 U.S.C. 612c note) is amended by striking "1995" and inserting "2002".

(b) ADMINISTRATIVE FUNDING.—Section 5(a)(2) of the Act (Public Law 93-86; 7 U.S.C. 612c note) is amended by striking "1995" and inserting "2002".

SEC. 432. EMERGENCY FOOD ASSISTANCE PROGRAM.

(a) REAUTHORIZATION.—The first sentence of section 204(a)(1) of the Emergency Food Assistance Act of 1983 (Public Law 98–8; 7 U.S.C. 612c note) is amended by striking "1995" and inserting "2002".

(b) PROGRAM TERMINATION.—Section 212 of the Act (Public Law 98–8; 7 U.S.C. 612c note) is amended by striking "1995" and inserting "2002".

(c) REQUIRED PURCHASES OF COMMODITIES.—Section 214 of the Act (Public Law 98–8; 7 U.S.C. 612c note) is amended—

(1) in the first sentence of subsection (a), by striking "1995" and inserting "2002"; and

(2) in subsection (e), by striking "1995" each place it appears and inserting "2002".

(d) EXTENSION.—Section 13962 of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103–66; 107 Stat. 680) is amended by striking "1994, 1995, and 1996" each place it appears and inserting "1994 through 2002".

SEC. 433. SOUP KITCHENS PROGRAM.

Section 110 of the Hunger Prevention Act of 1988 (Public Law 100–435; 7 U.S.C. 612c note) is amended—

(1) in the first sentence of subsection (a), by striking "1995" and inserting "2002"; and

(2) in subsection (c)(2)—

(A) in the paragraph heading, by striking "1995" and inserting "2002"; and

(B) by striking "1995" each place it appears and inserting "2002".

SEC. 434. NATIONAL COMMODITY PROCESSING.

The first sentence of section 1114(a)(2)(A) of the Agriculture and Food Act of 1981 (7 U.S.C. 1431e(2)(A)) is amended by striking "1995" and inserting "2002".

SEC. 435. COMMODITY SUPPLEMENTAL FOOD PROGRAM.

Section 5(d)(2) of the Agriculture and Consumer Protection Act of 1973 (Public Law 93–86; 7 U.S.C. 612c note) is amended by striking "1995" and inserting "2002".

TITLE V—NONCITIZENS

SEC. 501. STATE OPTION TO PROHIBIT ASSISTANCE FOR CERTAIN ALIENS.

A State may, at its option, prohibit the use of any grant funds received under part A of title IV of the Social Security Act or section 25 of the Food Stamp Act of 1977 for the provision of assistance under the State programs funded under such part or section for an individual who is not a citizen or national of the United States.

SEC. 502. DEEMED INCOME REQUIREMENT FOR FEDERAL AND FEDERALLY FUNDED PROGRAMS.

(a) DEEMING REQUIREMENT FOR FEDERAL AND FEDERALLY FUNDED PROGRAMS.—For purposes of determining the eligibility of an individual (whether a citizen or national of the United States or an alien) for assistance, and the amount of assistance, under any Federal program of assistance provided or funded, in whole or in part, by the Federal Government for which eligibility for benefits is based on need, the income and resources described in subsection (b) shall, notwithstanding any other provision of law, be deemed to be the income and resources of such individual.

(b) DEEMED INCOME AND RESOURCES.—The income and resources described in this subsection include the following:

(1) The income and resources of any person who, as a sponsor of such individual's entry into the United States (or in order to enable such individual lawfully to remain in the United States), executed an affidavit of support or similar agreement with respect to such individual.

(2) The income and resources of such sponsor's spouse.

(c) LENGTH OF DEEMED INCOME PERIOD.—The requirement of subsection (a) shall apply for the period for which the sponsor has agreed, in such affidavit or agreement, to provide support for such individual, or for a period of 5 years beginning on the date such individual was first lawfully in the United States after the execution of such affidavit or agreement, whichever period is longer.

(d) DEEMED INCOME AUTHORITY TO STATE AND LOCAL AGENCIES.—

(1) IN GENERAL.—For purposes of determining the eligibility of an individual (whether a citizen or national of the United States or an alien) for assistance, and the amount of assistance, under any State or local program of assistance authorized under Federal law for which eligibility is based on need, or any need-based program of assistance authorized under Federal law and administered by a State or local government other than a program described in subsection (a), the State or local government may, notwithstanding any other provision of law, require that the income and resources described in subsection (b) be deemed to be the income and resources of such individual.

(2) LENGTH OF DEEMING PERIOD.—A State or local government may impose a requirement described in paragraph (1) for the period described in subsection (c).

(e) APPLICABILITY OF SECTION.—

(1) INDIVIDUALS.—The provisions of this section shall not apply to the eligibility of any individual who is described in subclause (II), (III), (IV), or (V) of section 1614(a)(1)(B)(i) of the Social Security Act (42 U.S.C. 1382c(a)(1)(B)(i)).

(2) PROGRAMS.—The provisions of this section shall not apply to eligibility for—

(A) emergency medical services under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.);

(B) short-term emergency disaster relief;

(C) assistance or benefits under the National School Lunch Act;

(D) assistance or benefits under the Child Nutrition Act of 1966; and

(E) public health assistance for immunizations with respect to immunizable diseases and for testing and treatment for communicable diseases if the Secretary of Health and Human Services determines that such testing and treatment is necessary.

(f) CONFORMING AMENDMENTS.—

(1) Section 1621 of the Social Security Act (42 U.S.C. 1382j) is repealed.

(2) Section 1614(f)(3) of such Act (42 U.S.C. 1382c(f)(3)) is amended by striking "section 1621" and inserting "section 502 of the Work Opportunity Act of 1995".

SEC. 503. LIMITED ELIGIBILITY OF NONCITIZENS FOR SSI BENEFITS.

(a) IN GENERAL.—Paragraph (1) of section 1614(a) of the Social Security Act (42 U.S.C. 1382c(a)) is amended—

(1) in subparagraph (B)(i), by striking "either" and all that follows through ", or" and inserting "(I) a citizen; (II) a noncitizen who is granted asylum under section 208 of the Immigration and Nationality Act or whose deportation has been withheld under section 243(h) of such Act for a period of not more than 5 years after the date of arrival into the United States; (III) a noncitizen who is admitted to the United States as a refugee under section 207 of such Act for not more than such 5-year period; (IV) a noncitizen, lawfully present in any State (or any territory or possession of the United States), who is a veteran (as defined in section 101 of title 38, United States Code) with a discharge characterized as an honorable discharge and not on account of alienage or who is the spouse or unmarried dependent child of such veteran; or (V) a noncitizen who has worked sufficient calendar quarters of coverage to be a fully insured individual for benefits under title II, or"; and

(2) by adding at the end the following new flush sentence:

"For purposes of subparagraph (B)(i)(IV), the determination of whether a noncitizen is lawfully present in the United States shall be made in accordance with regulations of the Attorney General. A noncitizen shall not be considered to be lawfully present in the United States for purposes of this title merely because the noncitizen may be considered to be permanently residing in the United States under color of law for purposes of any particular program.".

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by subsection (a) shall apply to applicants for benefits for months beginning on or after the date of the enactment of this Act, without regard to whether regulations have been issued to implement such amendments.

(2) APPLICATION TO CURRENT RECIPIENTS.—

(A) APPLICATION AND NOTICE.—Notwithstanding any other provision of law, in the case of an individual who is receiving supplemental security income benefits under title XVI of the Social Security Act as of the date of the enactment of this Act and whose eligibility for such benefits would terminate by reason of the amendments made by subsection (a), such amendments shall apply with respect to the benefits of such individual for months beginning on or after January 1, 1997, and the Commissioner of Social Security shall so notify the individual not later than 90 days after the date of the enactment of this Act.

(B) REAPPLICATION.—

(i) IN GENERAL.—Not later than 120 days after the date of the enactment of this Act, each individual notified pursuant to subparagraph (A) who desires to reapply for benefits under title XVI of the Social Security Act shall reapply to the Commissioner of Social Security.

(ii) DETERMINATION OF ELIGIBILITY.—Not later than 1 year after the date of the enactment of this Act, the Commissioner of Social Security shall determine the eligibility of each individual who reapplies for benefits under clause (i) pursuant to the procedures of such title XVI.

TITLE VI—CHILD CARE

SEC. 601. SHORT TITLE.

This title may be cited as the "Child Care and Development Block Grant Amendments Act of 1995".

SEC. 602. AMENDMENTS TO THE CHILD CARE AND DEVELOPMENT BLOCK GRANT ACT OF 1990.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 658B of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858) is amended to read as follows:

"SEC. 658B. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this subchapter $1,000,000,000 for fiscal year 1996, and such sums as may be necessary for each of the fiscal years 1997 through 2000.".

(b) LEAD AGENCY.—Section 658D(b) of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858b(b)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking "State" and inserting "governmental or nongovernmental"; and

(B) in subparagraph (C), by inserting "with sufficient time and Statewide distribution of the notice of such hearing," after "hearing in the State"; and

(2) in paragraph (2), by striking the second sentence.

(c) APPLICATION AND PLAN.—Section 658E of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858c) is amended—

(1) in subsection (b), by striking "implemented—" and all that follows through "plans." and inserting "implemented during a 2-year period.";

(2) in subsection (c)—

(A) in paragraph (2)—

(i) in subparagraph (A)—

(I) in clause (iii) by striking the semicolon and inserting a period; and

(II) by striking "except" and all that follows through "1992."; and

(ii) in subparagraph (E)—

(I) by striking clause (ii) and inserting the following new clause:

"(ii) the State will implement mechanisms to ensure that appropriate payment mechanisms exist so that proper payments under this subchapter will be made to providers within the State and to permit the State to furnish information to such providers."; and

(II) by adding at the end thereof the following new sentence: "In lieu of any licensing and regulatory requirements applicable under State and local law, the Secretary, in consultation with Indian tribes and tribal organizations, shall develop minimum child care standards (that appropriately reflect tribal needs and available resources) that shall be applicable to Indian tribes and tribal organization receiving assistance under this subchapter."; and

(iii) by striking subparagraphs (H) and (I); and

(B) in paragraph (3)—

(i) in subparagraph (C)—

(I) in the subparagraph heading, by striking "AND TO INCREASE" and all that follows through "CARE SERVICES";

(II) by striking "25 percent" and inserting "15 percent"; and

(III) by striking "and to provide before-" and all that follows through "658H)"; and

(ii) by adding at the end thereof the following new subparagraph:

"(D) LIMITATION ON ADMINISTRATIVE COSTS.—Not more than 5 percent of the aggregate amount of payments received under this subchapter by a State in each fiscal year may be expended for administrative costs incurred by such State to carry out all its functions and duties under this subchapter.".

(d) SLIDING FEE SCALE.—

(1) IN GENERAL.—Section 658E(c)(5) of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858c(c)(5)) is amended by inserting before the period the following: "and that ensures a representative distribution of funding among the working poor and recipients of Federal welfare assistance".

(2) ELIGIBILITY.—Section 658P(4)(B) of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858n(4)(B)) is amended by striking "75 percent" and inserting "100 percent".

(e) QUALITY.—Section 658G of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858e) is amended—

(1) in the matter preceding paragraph (1)—

(A) by striking "A State" and inserting "(a) IN GENERAL.—A State";

(B) by striking "not less than 20 percent of"; and

(C) by striking "one or more of the following" and inserting "carrying out the resource and referral activities described in subsection (b), and for one or more of the activities described in subsection (c).";

(2) in paragraph (1), by inserting before the period the following: ", including providing comprehensive consumer education to parents and the public, referrals that honor parental choice, and activities designed to improve the quality and availability of child care";

(3) by striking "(1) RESOURCE AND REFERRAL PROGRAMS.—Operating" and inserting the following:

"(b) RESOURCE AND REFERRAL PROGRAMS.—The activities described in this subsection are operating";

(4) by redesignating paragraphs (2) through (5) as paragraphs (1) through (4), respectively;

(5) by inserting before paragraph (1) (as so redesignated) the following:

"(c) OTHER ACTIVITIES.—The activities described in this section are the following:"; and

(6) by adding at the end thereof the following:

"(5) BEFORE- AND AFTER-SCHOOL ACTIVITIES.—Increasing the availability of before- and after-school care.

"(6) INFANT CARE.—Increasing the availability of child care for infants under the age of 18 months.

"(7) NONTRADITIONAL WORK HOURS.—Increasing the availability of child care between the hours of 5:00 p.m. and 8:00 a.m.

"(d) NONDISCRIMINATION.—With respect to child care providers that comply with applicable State law but which are otherwise not required to be licensed by the State, the State, in carrying out this section, may not discriminate against such a provider if such provider desires to participate in resource and referral activities carried out under subsection (b).".

(f) REPEAL.—Section 658H of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858f) is repealed.

(g) ENFORCEMENT.—Section 658I(b)(2) of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858g(b)(2)) is amended—

(1) in the matter following clause (ii) of subparagraph (A), by striking "finding and that" and all that follows through the period and inserting "finding and may impose additional program requirements on the State, including a requirement that the State reimburse the Secretary for any funds that were improperly expended for purposes prohibited or not authorized by this subchapter, that the Secretary deduct from the administrative portion of the State allotment for the following fiscal year an amount that is less than or equal to any improperly expended funds, or a combination of such options."; and

(2) by striking subparagraphs (B) and (C).

(h) REPORTS.—Section 658K of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858i) is amended—

(1) in the section heading, by striking "ANNUAL REPORT" and inserting "REPORTS"; and

(2) in subsection (a)—

(A) in the subsection heading, by striking "ANNUAL REPORT" and inserting "REPORTS";

(B) by striking "December 31, 1992, and annually thereafter" and inserting "December 31, 1996, and every 2 years thereafter";

(C) in paragraph (2)—

(i) in subparagraph (A), by inserting before the semicolon "and the types of child care programs under which such assistance is provided";

(ii) by striking subparagraph (B); and

(iii) by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively;

(D) by striking paragraph (4);

(E) by redesignating paragraphs (5) and (6) as paragraphs (4) and (5), respectively;

(F) in paragraph (4), as so redesignated, by striking "and" at the end thereof;

(G) in paragraph (5), as so redesignated, by adding "and" at the end thereof; and

(H) by inserting after paragraph (5), as so redesignated, the following new paragraph:

"(6) describing the extent and manner to which the resource and referral activities are being carried out by the State;".

(i) REPORT BY SECRETARY.—Section 658L of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858j) is amended—

(1) by striking "1993" and inserting "1997";

(2) by striking "annually" and inserting "bi-annually"; and

(3) by striking "Education and Labor" and inserting "Economic and Educational Opportunities".

(j) ALLOTMENTS.—Section 658O of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858m) is amended—

(1) in subsection (c), by adding at the end thereof the following new paragraph:

"(6) CONSTRUCTION OR RENOVATION OF FACILITIES.—

"(A) REQUEST FOR USE OF FUNDS.—An Indian tribe or tribal organization may submit to the Secretary a request to use amounts provided under this subsection for construction or renovation purposes.

"(B) DETERMINATION.—With respect to a request submitted under subparagraph (A), and except as provided in subparagraph (C), upon a determination by the Secretary that adequate facilities are not otherwise available to an Indian tribe or tribal organization to enable such tribe or organization to carry out child care programs in accordance with this subchapter, and that the lack of such facilities will inhibit the operation of such programs in the future, the Secretary may permit the tribe or organization to use assistance provided under this subsection to make payments for the construction or renovation of facilities that will be used to carry out such programs.

"(C) LIMITATION.—The Secretary may not permit an Indian tribe or tribal organization to use amounts provided under this subsection for construction or renovation if such use will result in a decrease in the level of child care services provided by the tribe or organization as compared to the level of such services provided by the tribe or organization in the fiscal year preceding the year for which the determination under subparagraph (A) is being made.

"(D) UNIFORM PROCEDURES.—The Secretary shall develop and implement uniform procedures for the solicitation and consideration of requests under this paragraph."; and

(2) in subsection (e)—

(A) in paragraph (1), by striking "Any" and inserting "Except as provided in paragraph (4), any"; and

(B) by adding at the end thereof the following new paragraph:

"(4) INDIAN TRIBES OR TRIBAL ORGANIZATIONS.—Any portion of a grant or contract made to an Indian tribe or tribal organization under subsection (c) that the Secretary determines is not being used in a manner consistent with the provision of this subchapter in the period for with the grant or contract is made available, shall be reallocated by the Secretary to other tribes or organization that have submitted applications under subsection (c) in proportion to the

original allocations to such tribes or organization.".

(k) DEFINITIONS.—Section 658P of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858n) is amended—

(1) in paragraph (2), in the first sentence by inserting "or as a deposit for child care services if such a deposit is required of other children being cared for by the provider" after "child care services"; and

(2) in paragraph (5)(B)—

(A) by inserting "great grandchild, sibling (if the provider lives in a separate residence)," after "grandchild,";

(B) by striking "is registered and"; and

(C) by striking "State" and inserting "applicable".

(l) AUTHORITY TO TRANSFER FUNDS.—The Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.) is amended by inserting after section 658S the following new section:

"SEC. 658T. TRANSFER OF FUNDS.

"(a) AUTHORITY.—Of the aggregate amount of payments received under this subchapter by a State in each fiscal year, the State may transfer not more than 30 percent for use by the State to carry out the State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

"(b) REQUIREMENTS APPLICABLE TO FUNDS TRANSFERRED.—Funds transferred under subsection (a) to carry out the State program specified in such subsection shall not be subject to the requirements of this subchapter, but shall be subject to the same requirements that apply to Federal funds provided directly under such program.".

SEC. 603. REPEALS AND TECHNICAL AND CONFORMING AMENDMENTS.

(a) STATE DEPENDENT CARE DEVELOPMENT GRANTS ACT.—The State Dependent Care Development Grants Act (42 U.S.C. 9871 et seq.) is repealed.

(b) CHILD DEVELOPMENT ASSOCIATE SCHOLARSHIP ASSISTANCE ACT OF 1985.—The Child Development Associate Scholarship Assistance Act of 1985 (42 U.S.C. 10901 et seq.) is repealed.

(c) ADDITIONAL CONFORMING AMENDMENTS.—

(1) RECOMMENDED LEGISLATION.—After consultation with the appropriate committees of the Congress and the Director of the Office of Management and Budget, the Secretary of Health and Human Services shall prepare and submit to the Congress a legislative proposal in the form of an implementing bill containing technical and conforming amendments to reflect the amendments and repeals made by this title.

(2) SUBMISSION TO CONGRESS.—Not later than 6 months after the date of enactment of this title, the Secretary of Health and Human Services shall submit the implementing bill referred to under paragraph (1).

TITLE VII—WORKFORCE DEVELOPMENT AND WORKFORCE PREPARATION ACTIVITIES

Subtitle A—General Provisions

SEC. 701. SHORT TITLE.

This title may be cited as the "Workforce Development Act of 1995".

SEC. 702. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) increasing international competition, technological advances, and structural changes in the United States economy present new challenges to private businesses and public policymakers in creating a skilled workforce with the ability to adapt to change and technological progress;

(2) despite more than 60 years of federally funded employment training programs, the Federal Government has no single, coherent policy guiding employment training efforts;

(3) according to the General Accounting Office, there are over 100 federally funded employment training programs, which are administered by 15 different Federal agencies and cost more than $20,000,000,000 annually;

(4) many of the programs fail to collect enough performance data to determine the relative effectiveness of each of the programs or the effectiveness of the programs as a whole;

(5) because of the fragmentation, duplication, and lack of accountability that currently exist within and among Federal employment training programs it is often difficult for workers, jobseekers, and businesses to easily access the services they need;

(6) high quality, innovative vocational education programs provide youth with skills and knowledge on which to build successful careers and, in providing the skills and knowledge, vocational education serves as the foundation of a successful workforce development system;

(7) in recent years, several States and communities have begun to develop promising new initiatives such as—

(A) school-to-work programs to better integrate youth employment and education programs; and

(B) one-stop systems to make workforce development activities more accessible to workers, jobseekers, and businesses; and

(8) Federal, State, and local governments have failed to adequately allow for private sector leadership in designing workforce development activities that are responsive to local labor market needs.

(b) PURPOSES.—The purposes of this title are—

(1) to make the United States more competitive in the world economy by eliminating the fragmentation in Federal employment training efforts and creating coherent, integrated statewide workforce development systems designed to develop more fully the academic, occupational, and literacy skills of all segments of the workforce;

(2) to ensure that all segments of the workforce will obtain the skills necessary to earn wages sufficient to maintain the highest quality of living in the world; and

(3) to promote the economic development of each State by developing a skilled workforce that is responsive to the labor market needs of the businesses of each State.

SEC. 703. DEFINITIONS.

As used in this title and title VIII:

(1) ADULT EDUCATION.—

(A) IN GENERAL.—The term "adult education" means services or instruction below the college level for adults who—

(i) lack sufficient education or literacy skills to enable the adults to function effectively in society; or

(ii) do not have a certificate of graduation from a school providing secondary education (as determined under State law) and who have not achieved an equivalent level of education.

(B) ADULT.—As used in subparagraph (A), the term "adult" means an individual who is age 16 or older, or beyond the age of compulsory school attendance under State law, and who is not enrolled in secondary school.

(2) AREA VOCATIONAL EDUCATION SCHOOL.—The term "area vocational education school" means—

(A) a specialized secondary school used exclusively or principally for the provision of vocational education to individuals who are available for study in preparation for entering the labor market;

(B) the department of a secondary school exclusively or principally used for providing vocational education in not fewer than 5 different occupational fields to individuals who are available for study in preparation for entering the labor market;

(C) a technical institute or vocational school used exclusively or principally for the provision of vocational education to individuals who have completed or left secondary school and who are available for study in preparation for entering the labor market, if the institute or school admits as regular students both individuals who have completed secondary school and individuals who have left secondary school; or

(D) the department or division of a junior college, community college, or university that provides vocational education in not fewer than 5 different occupational fields leading to immediate employment but not necessarily leading to a baccalaureate degree, if the department or division admits as regular students both individuals who have completed secondary school and individuals who have left secondary school.

(3) AT-RISK YOUTH.—The term "at-risk youth" means an individual who—

(A) is not less than age 15 and not more than age 24; and

(B)(i) is determined under guidelines developed by the Governing Board to be low-income, using the most recent available data provided by the Bureau of the Census, prior to the determination; or

(ii) is a dependent of a family that is determined under guidelines developed by the Governing Board to be low-income, using such data.

(4) CHIEF ELECTED OFFICIAL.—The term "chief elected official" means the chief elected officer of a unit of general local government in a substate area.

(5) COMMUNITY-BASED ORGANIZATION.—The term "community-based organization" means a private nonprofit organization of demonstrated effectiveness that is representative of a community or a significant segment of a community and that provides workforce development activities.

(6) COVERED ACTIVITY.—The term "covered activity" means an activity authorized to be carried out under a provision described in section 781(b) (as such provision was in effect on the day before the date of enactment of this Act).

(7) DISLOCATED WORKER.—The term "dislocated worker" means an individual who—

(A) has been terminated from employment and is eligible for unemployment compensation;

(B) has received a notice of termination of employment as a result of any permanent closure, or any layoff of 50 or more people, at a plant, facility, or enterprise;

(C) is long-term unemployed;

(D) was self-employed (including a farmer and a rancher) but is unemployed due to local economic conditions;

(E) is a displaced homemaker; or

(F) has become unemployed as a result of a Federal action that limits the use of, or restricts access to, a marine natural resource.

(8) DISPLACED HOMEMAKER.—The term "displaced homemaker" means an individual who was a full-time homemaker for a substantial number of years, as determined under guidelines developed by the Governing Board, and who no longer receives financial support previously provided by a spouse or by public assistance.

(9) ECONOMIC DEVELOPMENT ACTIVITIES.—The term "economic development activities" means the activities described in section 716(e).

(10) EDUCATIONAL SERVICE AGENCY.—The term "educational service agency" means a regional public multiservice agency authorized by State statute to develop and manage a service or program, and provide the service or program to a local educational agency.

(11) ELEMENTARY SCHOOL; LOCAL EDUCATIONAL AGENCY; SECONDARY SCHOOL.—The terms "elementary school", "local educational agency" and "secondary school" have the meanings given the terms in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).

(12) FEDERAL PARTNERSHIP.—The term "Federal Partnership" means the Workforce Development Partnership established in section 771.

(13) FLEXIBLE WORKFORCE ACTIVITIES.—The term "flexible workforce activities" means the activities described in section 716(d).

(14) GOVERNING BOARD.—The term "Governing Board" means the Governing Board of the Federal Partnership.

(15) INDIVIDUAL WITH A DISABILITY.—

(A) IN GENERAL.—The term "individual with a disability" means an individual with any disability (as defined in section 3 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102)).

(B) INDIVIDUALS WITH DISABILITIES.—The term "individuals with disabilities" means more than 1 individual with a disability.

(16) LOCAL ENTITY.—The term "local entity" means a public or private entity responsible for local workforce development activities or workforce preparation activities for at-risk youth.

(17) LOCAL PARTNERSHIP.—The term "local partnership" means a partnership referred to in section 728(a).

(18) OLDER WORKER.—The term "older worker" means an individual who is age 55 or older and who is determined under guidelines developed by the Governing Board to be low-income, using the most recent available data provided by the Bureau of the Census, prior to the determination.

(19) OUTLYING AREA.—The term "outlying area" means the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

(20) PARTICIPANT.—The term "participant" means an individual participating in workforce development activities or workforce preparation activities for at-risk youth, provided through a statewide system.

(21) POSTSECONDARY EDUCATIONAL INSTITUTION.—The term "postsecondary educational institution" means an institution of higher education, as defined in section 481(a) of the Higher Education Act of 1965 (20 U.S.C. 1088(a)), that offers—

(A) a 2-year program of instruction leading to an associate's degree or a certificate of mastery; or

(B) a 4-year program of instruction leading to a bachelor's degree.

(22) RAPID RESPONSE ASSISTANCE.—The term "rapid response assistance" means workforce employment assistance provided in the case of a permanent closure, or layoff of 50 or more people, at a plant, facility, or enterprise, including the establishment of on-site contact with employers and employee representatives immediately after the State is notified of a current or projected permanent closure, or layoff of 50 or more people.

(23) SCHOOL-TO-WORK ACTIVITIES.—The term "school-to-work activities" means activities for youth that—

(A) integrate school-based learning and work-based learning;

(B) integrate academic and occupational learning;

(C) establish effective linkages between secondary education and postsecondary education;

(D) provide each youth participant with the opportunity to complete a career major; and

(E) provide assistance in the form of connecting activities that link each youth participant with an employer in an industry or occupation relating to the career major of the youth participant.

(24) STATE.—The term "State" means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

(25) STATE BENCHMARKS.—The term "State benchmarks", used with respect to a State, means—

(A) the quantifiable indicators established under section 731(c) and identified in the report submitted under section 731(a); and

(B) such other quantifiable indicators of the statewide progress of the State toward meeting the State goals as the State may identify in the report submitted under section 731(a).

(26) STATE EDUCATIONAL AGENCY.—The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary or secondary schools, or, if there is no such officer or agency, an officer or agency designated by the chief Governor or by State law.

(27) STATE GOALS.—The term "State goals", used with respect to a State, means—

(A) the goals specified in section 731(b); and

(B) such other major goals of the statewide system of the State as the State may identify in the report submitted under section 731(a).

(28) STATEWIDE SYSTEM.—The term "statewide system" means a statewide workforce development system, referred to in section 711, that is designed to integrate workforce employment activities, workforce education activities, flexible workforce activities, economic development activities (in a State that is eligible to carry out such activities), vocational rehabilitation program activities, and workforce preparation activities for at-risk youth in the State in order to enhance and develop more fully the academic, occupational, and literacy skills of all segments of the population of the State and assist participants in obtaining meaningful unsubsidized employment.

(29) SUBSTATE AREA.—The term "substate area" means a geographic area designated by a Governor that reflects, to the extent feasible, a local labor market in a State.

(30) TECH-PREP PROGRAM.—The term "tech-prep program" means a program of study that—

(A) combines at least 2 years of secondary education (as determined under State law) and 2 years of postsecondary education in a nonduplicative sequence;

(B) integrates academic and vocational instruction and utilizes worksite learning where appropriate;

(C) provides technical preparation in an area such as engineering technology, applied science, a mechanical, industrial, or practical art or trade, agriculture, a health occupation, or business;

(D) builds student competence in mathematics, science, communications, and workplace skills, through applied academics and integrated instruction in a coherent sequence of courses;

(E) leads to an associate degree or a certificate in a specific career field; and

(F) leads to placement in appropriate employment or further education.

(31) VOCATIONAL EDUCATION.—The term "vocational education" means organized educational programs that—

(A) offer a sequence of courses that provide individuals with the academic knowledge and skills the individuals need to prepare for further education and careers in current or emerging employment sectors; and

(B) include competency-based applied learning that contributes to the academic knowledge, higher-order reasoning and problem-solving skills, work attitudes, general employability skills, and occupational-specific skills, of an individual.

(32) VOCATIONAL REHABILITATION PROGRAM.—The term "vocational rehabilitation program" means a program assisted under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.).

(33) WELFARE ASSISTANCE.—The term "welfare assistance" means—

(A) assistance provided under part A of title IV of the Social Security Act; and

(B) assistance provided under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

(34) WELFARE RECIPIENT.—The term "welfare recipient" means—

(A) an individual who receives assistance under part A of title IV of the Social Security Act; and

(B) an individual who—

(i) is not an individual described in subparagraph (A); and

(ii) receives assistance under the Food Stamp Act of 1977.

(35) WORKFORCE DEVELOPMENT ACTIVITIES.—The term "workforce development activities" means workforce education activities, workforce employment activities, flexible workforce activities, and economic development activities (within a State that is eligible to carry out such activities).

(36) WORKFORCE EDUCATION ACTIVITIES.—The term "workforce education activities" means the activities described in section 716(b).

(37) WORKFORCE EMPLOYMENT ACTIVITIES.—The term "workforce employment activities" means the activities described in paragraphs (2) through (8) of section 716(a), including activities described in section 716(a)(6) provided through a voucher described in section 716(a)(9).

(38) WORKFORCE PREPARATION ACTIVITIES FOR AT-RISK YOUTH.—The term "workforce preparation activities for at-risk youth" means the activities described in section 759(b), carried out for at-risk youth.

Subtitle B—Statewide Workforce Development Systems

CHAPTER 1—PROVISIONS FOR STATES AND OTHER ENTITIES

SEC. 711. STATEWIDE WORKFORCE DEVELOPMENT SYSTEMS ESTABLISHED.

For program year 1998 and each subsequent program year, the Governing Board shall make allotments under section 712 to States to assist the States in paying for the cost of establishing and carrying out activities through statewide workforce development systems, in accordance with this subtitle.

SEC. 712. STATE ALLOTMENTS.

(a) IN GENERAL.—The Governing Board shall allot to each State with a State plan approved under section 714 an amount equal to the total of the amounts made available under subparagraphs (A), (B), (C), and (D) of subsection (b)(2), adjusted in accordance with subsection (c).

(b) ALLOTMENTS BASED ON POPULATIONS.—

(1) DEFINITIONS.—As used in this subsection:

(A) ADULT RECIPIENT OF ASSISTANCE.—The term "adult recipient of assistance" means a recipient of assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) who is not a minor child (as defined in section 402(c)(1) of such Act).

(B) INDIVIDUAL IN POVERTY.—The term "individual in poverty" means an individual who—

(i) is not less than age 18;

(ii) is not more than age 64; and

(iii) is a member of a family (of 1 or more members) with an income at or below the poverty line.

(C) POVERTY LINE.—The term "poverty line" means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) applicable to a family of the size involved, using the most recent available data provided by the Bureau of the Census, prior to the program year for which the allotment is made, and applying the definition of poverty used by the Bureau of the Census in compiling the 1990 decennial census.

(2) CALCULATION.—Except as provided in subsection (c), from the amount reserved under section 734(b)(1), the Governing Board—

(A) using funds equal to 60 percent of such reserved amount, shall make available to each State an amount that bears the same relationship to such funds as the total number of individuals who are not less than 15 and not more than 65 (as determined by the Governing Board using the most recent available data provided by the Bureau of the Census, prior to the program year for which the allotment is made) in the State bears to the total number of such individuals in all States;

(B) using funds equal to 10 percent of such reserved amount, shall make available to each State an amount that bears the same relationship to such funds as the total number of individuals in poverty in the State bears to the total number of individuals in poverty in all States;

(C) using funds equal to 10 percent of such reserved amount, shall make available to each State an amount that bears the same relationship to such funds as the average number of unemployed individuals (as determined by the Secretary of Labor for the most recent 24-month period for which data are available, prior to the program year for which the allotment is made) in the State bears to the average number of unemployed individuals (as so determined) in all States; and

(D) using funds equal to 20 percent of such reserved amount, shall make available to each State an amount that bears the same relationship to such funds as the average monthly number of adult recipients of assistance (as determined by the Secretary of Health and Human Services for the most recent 12-month period for which data are available, prior to the program year for which the allotment is made) in the State bears to the average monthly number of adult recipients of assistance (as so determined) in all States.

(c) ADJUSTMENTS.—

(1) DEFINITION.—As used in this subsection, the term "national average per capita payment", used with respect to a program year, means the amount obtained by dividing—

(A) the total amount allotted to all States under this section for the program year; by

(B) the total number of individuals who are not less than 15 and not more than 65 (as determined by the Governing Board using the most recent available data provided by the Bureau of the Census, prior to the program year for which the allotment is made) in all States.

(2) MINIMUM ALLOTMENT.—Except as provided in paragraph (3), no State with a State plan approved under section 714 for a program year shall receive an allotment under this section for the program year in an amount that is less than 0.5 percent of the amount reserved under section 734(b)(1) for the program year.

(3) LIMITATION.—No State that receives an increase in an allotment under this section for a program year as a result of the application of paragraph (2) shall receive an allotment under this section for the program year in an amount that is more than the product obtained by multiplying—

(A) the total number of individuals who are not less than 15 and not more than 65 (as determined by the Governing Board using the most recent available data provided by the Bureau of the Census, prior to the program year for which the allotment is made) in the State; and

(B) the product obtained by multiplying—

(i) 1.3; and

(ii) the national average per capita payment for the program year.

SEC. 713. STATE APPORTIONMENT BY ACTIVITY.

(a) ACTIVITIES.—From the sum of the funds made available to a State through an allotment received under section 712 and the funds made available under section 901(c)(1)(A) of the Social Security Act (42 U.S.C. 1101(c)(1)(A)) to carry out this title for a program year—

(1) a portion equal to 25 percent of such sum (which portion shall include the amount allotted to the State from funds made available under section 901(c)(1)(A) of the Social Security Act) shall be made available for workforce employment activities;

(2) a portion equal to 25 percent of such sum shall be made available for workforce education activities; and

(3) a portion (referred to in this title as the "flex account") equal to 50 percent of such sum shall be made available for flexible workforce activities.

(b) RECIPIENTS.—In making an allotment under section 712 to a State, the Governing Board shall make a payment—

(1) to the Governor of the State for the portion described in subsection (a)(1), and such part of the flex account as the Governor may be eligible to receive, as determined under the State plan of the State submitted under section 714; and

(2) to the State educational agency of the State for the portion described in subsection (a)(2), and such part of the flex account as the State educational agency may be eligible to receive, as determined under the State plan of the State submitted under section 714.

SEC. 714. STATE PLANS.

(a) IN GENERAL.—For a State to be eligible to receive an allotment under section 712, the Governor of the State shall submit to the Governing Board, and obtain approval of, a single comprehensive State workforce development plan (referred to in this section as a "State plan"), outlining a 3-year strategy for the statewide system of the State.

(b) PARTS.—

(1) IN GENERAL.—The State plan shall contain 3 parts.

(2) STRATEGIC PLAN AND FLEXIBLE WORKFORCE ACTIVITIES.—The first part of the State plan shall describe a strategic plan for the statewide system, including the flexible workforce activities, and, if appropriate, economic development activities, that are designed to meet the State goals and reach the State benchmarks and are to be carried out with the allotment. The Governor shall develop the first part of the State plan, using procedures that are consistent with the procedures described in subsection (d).

(3) WORKFORCE EMPLOYMENT ACTIVITIES.—The second part of the State plan shall describe the workforce employment activities that are designed to meet the State goals and reach the State benchmarks and are to be carried out with the allotment. The Governor shall develop the second part of the State plan.

(4) WORKFORCE EDUCATION ACTIVITIES.—The third part of the State plan shall describe the workforce education activities that are designed to meet the State goals and reach the State benchmarks and are to be carried out with the allotment. The State educational agency of the State shall develop the third part of the State plan.

(c) CONTENTS OF THE PLAN.—The State plan shall include—

(1) with respect to the strategic plan for the statewide system—

(A) information describing how the State will identify the current and future workforce development needs of the industry sectors most important to the economic competitiveness of the State;

(B) information describing how the State will identify the current and future workforce development needs of all segments of the population of the State;

(C) information identifying the State goals and State benchmarks and how the goals and benchmarks will make the statewide system relevant and responsive to labor market and education needs at the local level;

(D) information describing how the State will coordinate workforce development activities to meet the State goals and reach the State benchmarks;

(E) information describing the allocation within the State of the funds made available through the flex account for the State, and how the flexible workforce activities, including school-to-work activities, to be carried out with such funds will be carried out to meet the State goals and reach the State benchmarks;

(F) information identifying how the State will obtain the active and continuous participation of business, industry, and labor in the development and continuous improvement of the statewide system;

(G) information identifying how any funds that a State receives under this subtitle will be leveraged with other public and private resources to maximize the effectiveness of such resources for all workforce development activities, and expand the participation of business, industry, labor, and individuals in the statewide system;

(H) information describing how the State will eliminate duplication in the administration and delivery of services under this title;

(I) information describing the process the State will use to independently evaluate and continuously improve the performance of the statewide system, on a yearly basis, including the development of specific performance indicators to measure progress toward meeting the State goals;

(J) an assurance that the funds made available under this subtitle will supplement and not supplant other public funds expended to provide workforce development activities;

(K) information identifying the steps that the State will take over the 3 years covered by the plan to establish common data collection and reporting requirements for workforce development activities and vocational rehabilitation program activities;

(L) with respect to economic development activities, information—

(i) describing the activities to be carried out with the funds made available under this subtitle;

(ii) describing how the activities will lead directly to increased earnings of nonmanagerial employees in the State; and

(iii) describing whether the labor organization, if any, representing the nonmanagerial employees supports the activities;

(M) the description referred to in subsection (d)(1); and

(N)(i) information demonstrating the support of individuals and entities described in subsection (d)(1) for the plan; or

(ii) in a case in which the Governor is unable to obtain the support of such individuals and entities as provided in subsection (d)(2), the comments referred to in subsection (d)(2)(B),

(2) with respect to workforce employment activities, information—

(A)(i) identifying and designating substate areas, including urban and rural areas, to which funds received through the allotment will be distributed, which areas shall, to the extent feasible, reflect local labor market areas; or

(ii) stating that the State will be treated as a substate area for purposes of the application of this subtitle, if the State receives an increase in an allotment under section 712 for a program year as a result of the application of section 712(c)(2); and

(B) describing the basic features of one-stop delivery of core services described in section 716(a)(2) in the State, including information regarding—

(i) the strategy of the State for developing fully operational one-stop delivery of core services described in section 716(a)(2);

(ii) the time frame for achieving the strategy;

(iii) the estimated cost for achieving the strategy;

(iv) the steps that the State will take over the 3 years covered by the plan to provide individuals with access to one-stop delivery of core services described in section 716(a)(2);

(v) the steps that the State will take over the 3 years covered by the plan to provide information through the one-stop delivery to individuals on the quality of workforce employment activities, workforce education activities, and vocational rehabilitation program activities, provided through the statewide system;

(vi) the steps that the State will take over the 3 years covered by the plan to link services provided through the one-stop delivery with services provided through State welfare agencies; and

(vii) in a case in which the State chooses to use vouchers to deliver workforce employment activities, the steps that the State will take over the 3 years covered by the plan to comply with the requirements in section 716(a)(9) and the information required in such section;

(C) identifying performance indicators that relate to the State goals, and to the State benchmarks, concerning workforce employment activities;

(D) describing the workforce employment activities to be carried out with funds received through the allotment;

(E) describing the steps that the State will take over the 3 years covered by the plan to establish a statewide comprehensive labor market information system described in section 773(c) that will be utilized by all the providers of one-stop delivery of core services described in section 716(a)(2), providers of other workforce employment activities, and providers of workforce education activities, in the State;

(F) describing the steps that the State will take over the 3 years covered by the plan to establish a job placement accountability system described in section 731(d); and

(G)(i) describing the steps that the State will take to segregate the amount allotted to the State from funds made available under section 901(c)(1)(A) of the Social Security Act (42 U.S.C. 1101(c)(1)(A)) from the remainder of the portion described in section 713(a)(1); and

(ii) describing how the State will use the amount allotted to the State from funds made available under such section 901(c)(1)(A) to carry out—

(I) the required activities described in clauses (ii) through (v) of section 716(a)(2)(B) and section 773; and

(II) any permissive activities carried out by the State that consist of—

(aa) the evaluation of programs provided through the statewide system of the State;

(bb) the provision of services through the statewide system for workers who have received notice of permanent or impending layoff, or workers in occupations that are experiencing limited demand due to technological change, the impact of imports, or plant closures; or

(cc) the administration of the work test for the State unemployment compensation system and provision of job finding and placement services for unemployment insurance claimants; and

(3) with respect to workforce education activities, information—

(A) describing how funds received through the allotment will be allocated among—

(i) secondary school vocational education, or postsecondary and adult vocational education, or both; and

(ii) adult education;

(B) identifying performance indicators that relate to the State goals, and to the State benchmarks, concerning workforce education activities;

(C) describing the workforce education activities that will be carried out with funds received through the allotment;

(D) describing how the State will address the adult education needs of the State;

(E) describing how the State will disaggregate data relating to at-risk youth in order to adequately measure the progress of at-risk youth toward accomplishing the results measured by the State goals, and the State benchmarks;

(F) describing how the State will adequately address the needs of both at-risk youth who are in school, and out-of-school youth, in alternative education programs that teach to the same challenging academic, occupational, and skill proficiencies as are provided for in-school youth;

(G) describing how the workforce education activities described in the State plan and the State allocation of funds received through the allotment for such activities are an integral part of comprehensive efforts of the State to improve education for all students and adults;

(H) describing how the State will annually evaluate the effectiveness of the State plan with respect to workforce education activities;

(I) describing how the State will address the professional development needs of the State with respect to workforce education activities;

(J) describing how the State will provide local educational agencies in the State with technical assistance; and

(K) describing how the State will assess the progress of the State in implementing student performance measures.

(d) PROCEDURE FOR DEVELOPMENT OF PART OF PLAN RELATING TO STRATEGIC PLAN.—

(1) DESCRIPTION OF DEVELOPMENT.—The part of the State plan relating to the strategic plan shall include a description of the manner in which—

(A) the Governor;

(B) the State educational agency;

(C) representatives of business and industry, including representatives of key industry sectors, and of small- and medium-size and large employers, in the State;

(D) representatives of labor and workers;

(E) local elected officials from throughout the State;

(F) the State agency officials responsible for vocational education;

(G) the State agency officials responsible for postsecondary education;

(H) the State agency officials responsible for adult education;

(I) the State agency officials responsible for vocational rehabilitation;

(J) such other State agency officials, including officials responsible for economic development and employment, as the Governor may designate;

(K) representatives of elected officials of tribal governments;

(L) the representative of the Veterans' Employment Training Service assigned to the State under section 4103 of title 38, United States Code; and

(M) other appropriate officials, including members of the State workforce development board described in section 715, if the State has established such a board;

collaborated in the development of such part of the plan.

(2) FAILURE TO OBTAIN SUPPORT.—If, after a reasonable effort, the Governor is unable to obtain the support of the individuals and entities described in paragraph (1) for the strategic plan the Governor shall—

(A) provide such individuals and entities with copies of the strategic plan;

(B) allow such individuals and entities to submit to the Governor, not later than the end of the 30-day period beginning on the date on which the Governor provides such individuals and entities with copies of such plan under subparagraph (A), comments on such plan; and

(C) include any such comments in such plan.

(e) APPROVAL.—The Governing Board shall approve a State plan if the Governing Board—

(1) determines that the plan contains the information described in subsection (c);

(2) determines that the State has prepared the plan in accordance with the requirements of this section, including the requirements relating to development of any part of the plan; and

(3) has negotiated State benchmarks with the State in accordance with section 731(c).

(f) NO ENTITLEMENT TO A SERVICE.—Nothing in this title shall be construed to provide any individual with an entitlement to a service provided under this title.

SEC. 715. STATE WORKFORCE DEVELOPMENT BOARDS.

(a) ESTABLISHMENT.—A Governor of a State that receives an allotment under section 712 may establish a State workforce development board—

(1) on which a majority of the members are representatives of business and industry;

(2) on which not less than 25 percent of the members shall be representatives of labor, workers, and community-based organizations;

(3) that shall include representatives of veterans;

(4) that shall include a representative of the State educational agency and a representative from the State agency responsible for vocational rehabilitation;

(5) that may include any other individual or entity that participates in the collaboration described in section 714(d)(1); and

(6) that may include any other individual or entity the Governor may designate.

(b) CHAIRPERSON.—The State workforce development board shall select a chairperson from among the members of the board who are representatives of business and industry.

(c) FUNCTIONS.—The functions of the State workforce development board shall include—

(1) advising the Governor on the development of the statewide system, the State plan described in section 714, and the State goals and State benchmarks;

(2) assisting in the development of specific performance indicators to measure progress toward meeting the State goals and reaching the State benchmarks and providing guidance on how such progress may be improved;

(3) serving as a link between business, industry, labor, and the statewide system;

(4) assisting the Governor in preparing the annual report to the Governing Board regarding progress in reaching the State benchmarks, as described in section 731(a);

(5) receiving and commenting on the State plan developed under section 101 of the Rehabilitation Act of 1973 (29 U.S.C. 721);

(6) assisting the Governor in developing the statewide comprehensive labor market information system described in section 773(c) to provide information that will be utilized by all the providers of one-stop delivery of core services described in section 716(a)(2), providers of other workforce employment activities, and providers of workforce education activities, in the State; and

(7) assisting in the monitoring and continuous improvement of the performance of the statewide system, including evaluation of the effectiveness of workforce development activities funded under this title.

SEC. 716. USE OF FUNDS.

(a) WORKFORCE EMPLOYMENT ACTIVITIES.—

(1) IN GENERAL.—Funds made available to a State under this subtitle to carry out workforce employment activities through a statewide system—

(A) shall be used to carry out the activities described in paragraphs (2), (3), and (4); and

(B) may be used to carry out the activities described in paragraphs (5), (6), (7), and (8), including providing activities described in paragraph (6) through vouchers described in paragraph (9).

(2) ONE-STOP DELIVERY OF CORE SERVICES.—

(A) ACCESS.—The State shall use a portion of the funds described in paragraph (1) to establish a means of providing access to the statewide system through core services described in subparagraph (B) available—

(i) through multiple, connected access points, linked electronically or otherwise;

(ii) through a network that assures participants that such core services will be available regardless of where the participants initially enter the statewide system;

(iii) at not less than 1 physical location in each substate area of the State; or

(iv) through some combination of the options described in clauses (i), (ii), and (iii).

(B) CORE SERVICES.—The core services referred to in subparagraph (A) shall, at a minimum, include—

(i) outreach, intake, and orientation to the information and other services available through one-stop delivery of core services described in this subparagraph;

(ii) initial assessment of skill levels, aptitudes, abilities, and supportive service needs;

(iii) job search and placement assistance and, where appropriate, career counseling;

(iv) customized screening and referral of qualified applicants to employment;

(v) provision of accurate information relating to local labor market conditions, including employment profiles of growth industries and occupations within a substate area, the educational and skills requirements of jobs in the industries and occupations, and the earnings potential of the jobs;

(vi) provision of accurate information relating to the quality and availability of other workforce employment activities, workforce education activities, and vocational rehabilitation program activities;

(vii) provision of information regarding how the substate area is performing on the State benchmarks;

(viii) provision of initial eligibility information on forms of public financial assistance that may be available in order to enable persons to participate in workforce employment activities, workforce education activities, or vocational rehabilitation program activities; and

(ix) referral to other appropriate workforce employment activities, workforce education activities, and vocational rehabilitation employment activities.

(3) LABOR MARKET INFORMATION SYSTEM.—The State shall use a portion of the funds described in paragraph (1) to establish a statewide comprehensive labor market information system described in section 773(c).

(4) JOB PLACEMENT ACCOUNTABILITY SYSTEM.—The State shall use a portion of the funds described in paragraph (1) to establish a job placement accountability system described in section 731(d).

(5) PERMISSIBLE ONE-STOP DELIVERY ACTIVITIES.—The State may provide, through one-stop delivery—

(A) co-location of services related to workforce development activities, such as unemployment insurance, vocational rehabilitation program activities, welfare assistance, veterans' employment services, or other public assistance;

(B) intensive services for participants who are unable to obtain employment through the core services described in paragraph (2)(B), as determined by the State; and

(C) dissemination to employers of information on activities carried out through the statewide system.

(6) OTHER PERMISSIBLE ACTIVITIES.—The State may use a portion of the funds described in paragraph (1) to provide services through the statewide system that may include—

(A) on-the-job training;

(B) occupational skills training;

(C) entrepreneurial training;

(D) training to develop work habits to help individuals obtain and retain employment;

(E) customized training conducted with a commitment by an employer or group of employers to employ an individual after successful completion of the training;

(F) rapid response assistance for dislocated workers;

(G) skill upgrading and retraining for persons not in the workforce;

(H) preemployment and work maturity skills training for youth;

(I) connecting activities that organize consortia of small- and medium-size businesses to provide work-based learning opportunities for youth participants in school-to-work programs;

(J) programs for adults that combine workplace training with related instruction;

(K) services to assist individuals in attaining certificates of mastery with respect to industry-based skill standards;

(L) case management services;

(M) supportive services, such as transportation and financial assistance, that enable individuals to participate in the statewide system;

(N) followup services for participants who are placed in unsubsidized employment; and

(O) workfare.

(7) STAFF DEVELOPMENT AND TRAINING.—The State may use a portion of the funds described in paragraph (1) for the development and training of staff of providers of one-stop delivery of core services described in paragraph (2), including development and training relating to principles of quality management.

(8) INCENTIVE GRANT AWARDS.—The State may use a portion of the funds described in paragraph (1) to award incentive grants to substate areas that reach or exceed the State benchmarks established under section 731(c), with an emphasis on benchmarks established under section 731(c)(3). A substate area that receives such a grant may use the funds made available through the grant to carry out any workforce development activities authorized under this title.

(9) VOUCHERS.—

(A) IN GENERAL.—A State may deliver some or all of the workforce employment activities described in paragraph (6) that are provided under this subtitle through a system of vouchers administered through the one-stop delivery of core services described in paragraph (2) in the State.

(B) ELIGIBILITY REQUIREMENTS.—

(i) IN GENERAL.—A State that chooses to deliver the activities described in subparagraph (A) through vouchers shall indicate in the State plan described in section 714 the criteria that will be used to determine—

(I) which workforce employment activities described in paragraph (6) will be delivered through the voucher system;

(II) eligibility requirements for participants to receive the vouchers and the amount of funds that participants will be able to access through the voucher system; and

(III) which employment, training, and education providers are eligible to receive payment through the vouchers.

(ii) CONSIDERATIONS.—In establishing State criteria for service providers eligible to receive payment through the vouchers under clause (i)(III), the State shall take into account industry-recognized skills standards promoted by the National Skills Standards Board.

(C) ACCOUNTABILITY REQUIREMENTS.—A State that chooses to deliver the activities described in paragraph (6) through vouchers shall indicate in the State plan—

(i) information concerning how the State will utilize the statewide comprehensive labor market information system described in section 773(c) and the job placement accountability system established under section 731(d) to provide timely and accurate information to participants about the performance of eligible employment, training, and education providers;

(ii) other information about the performance of eligible providers of services that the

State believes is necessary for participants receiving the vouchers to make informed career choices; and

(iii) the timeframe in which the information developed under clauses (i) and (ii) will be widely available through the one-stop delivery of core services described in paragraph (2) in the State.

(b) WORKFORCE EDUCATION ACTIVITIES.—The State educational agency shall use the funds made available to the State educational agency under this subtitle for workforce education activities to carry out, through the statewide system, activities that include—

(1) integrating academic and vocational education;

(2) linking secondary education (as determined under State law) and postsecondary education, including implementing tech-prep programs;

(3) providing career guidance and counseling for students at the earliest possible age, including the provision of career awareness, exploration, and guidance information to students and their parents that is, to the extent possible, in a language and form that the students and their parents understand;

(4) providing literacy and basic education services for adults and out-of-school youth, including adults and out-of-school youth in correctional institutions;

(5) providing programs for adults and out-of-school youth to complete their secondary education;

(6) expanding, improving, and modernizing quality vocational education programs; and

(7) improving access to quality vocational education programs for at-risk youth.

(c) FISCAL REQUIREMENTS FOR WORKFORCE EDUCATION ACTIVITIES.—

(1) SUPPLEMENT NOT SUPPLANT.—Funds made available under this subtitle for workforce education activities shall supplement, and may not supplant, other public funds expended to carry out workforce education activities.

(2) MAINTENANCE OF EFFORT.—

(A) DETERMINATION.—No payments shall be made under this subtitle for any program year to a State for workforce education activities unless the Governing Board determines that the fiscal effort per student or the aggregate expenditures of such State for workforce education for the program year preceding the program year for which the determination is made, equaled or exceeded such effort or expenditures for workforce education for the second program year preceding the fiscal year for which the determination is made.

(B) WAIVER.—The Governing Board may waive the requirements of this section (with respect to not more than 5 percent of expenditures by any State educational agency) for 1 program year only, on making a determination that such waiver would be equitable due to exceptional or uncontrollable circumstances affecting the ability of the applicant to meet such requirements, such as a natural disaster or an unforeseen and precipitous decline in financial resources. No level of funding permitted under such a waiver may be used as the basis for computing the fiscal effort or aggregate expenditures required under this section for years subsequent to the year covered by such waiver. The fiscal effort or aggregate expenditures for the subsequent years shall be computed on the basis of the level of funding that would, but for such waiver, have been required.

(d) FLEXIBLE WORKFORCE ACTIVITIES.—

(1) CORE FLEXIBLE WORKFORCE ACTIVITIES.—The State shall use a portion of the funds made available to the State under this subtitle through the flex account to carry out school-to-work activities through the statewide system, except that any State that received a grant under subtitle B of title II of the School-to-Work Opportunities Act of 1994 (20 U.S.C. 6141 et seq.) shall use such portion to support the continued development of the statewide School-to-Work Opportunities system of the State through the continuation of activities that are carried out in accordance with the terms of such grant.

(2) PERMISSIBLE FLEXIBLE WORKFORCE ACTIVITIES.—The State may use a portion of the funds made available to the State under this subtitle through the flex account—

(A) to carry out workforce employment activities through the statewide system; and

(B) to carry out workforce education activities through the statewide system.

(e) ECONOMIC DEVELOPMENT ACTIVITIES.—In the case of a State that meets the requirements of section 728(c), the State may use a portion of the funds made available to the State under this subtitle through the flex account to supplement other funds provided by the State or private sector—

(1) to provide customized assessments of the skills of workers and an analysis of the skill needs of employers;

(2) to assist consortia of small- and medium-size employers in upgrading the skills of their workforces;

(3) to provide productivity and quality improvement training programs for the workforces of small- and medium-size employers;

(4) to provide recognition and use of voluntary industry-developed skills standards by employers, schools, and training institutions;

(5) to carry out training activities in companies that are developing modernization plans in conjunction with State industrial extension service offices; and

(6) to provide on-site, industry-specific training programs supportive of industrial and economic development;

through the statewide system.

(f) LIMITATIONS.—

(1) WAGES.—No funds provided under this subtitle shall be used to pay the wages of incumbent workers during their participation in economic development activities provided through the statewide system.

(2) RELOCATION.—No funds provided under this subtitle shall be used or proposed for use to encourage or induce the relocation, of a business or part of a business, that results in a loss of employment for any employee of such business at the original location.

(3) TRAINING AND ASSESSMENTS FOLLOWING RELOCATION.—No funds provided under this subtitle shall be used for customized or skill training, on-the-job training, or company specific assessments of job applicants or workers, for any business or part of a business, that has relocated, until 120 days after the date on which such business commences operations at the new location, if the relocation of such business or part of a business, results in a loss of employment for any worker of such business at the original location.

(g) LIMITATIONS ON PARTICIPANTS.—

(1) DIPLOMA OR EQUIVALENT.—

(A) IN GENERAL.—No individual may participate in workforce employment activities described in subparagraph (A), (B), (C), (E), (G), (J), or (K) of section 716(a)(6) until the individual has obtained a secondary school diploma or its recognized equivalent, or is enrolled in a program or course of study to obtain a secondary school diploma or its recognized equivalent.

(B) EXCEPTION.—Nothing in subparagraph (A) shall prevent participation in workforce employment activities described under subparagraph (A), (B), (C), (E), (G), (J), or (K) of section 716(a)(6) by individuals who, after testing and in the judgment of medical, psychiatric, academic, or other appropriate professionals, lack the requisite capacity to complete successfully a course of study that would lead to a secondary school diploma or its recognized equivalent.

(2) SERVICES.—

(A) REFERRAL.—If an individual who has not obtained a secondary school diploma or its recognized equivalent applies to participate in workforce employment activities described under subparagraph (A), (B), (C), (E), (G), (J), or (K) of section 716(a)(6), such individual shall be referred to State approved adult education services that provide instruction designed to help such individual obtain a secondary school diploma or its recognized equivalent.

(B) STATE PROVISION OF SERVICES.—Notwithstanding any other provision of this title, a State may use funds made available under section 713(a)(1) to provide State approved adult education services that provide instruction designed to help individuals obtain a secondary school diploma or its recognized equivalent, to individuals who—

(i) are seeking to participate in workforce employment activities described under subparagraph (A), (B), (C), (E), (G), (J), or (K) of section 716(a)(6); and

(ii) are otherwise unable to obtain such services.

SEC. 717. INDIAN WORKFORCE DEVELOPMENT ACTIVITIES.

(a) PURPOSE.—

(1) IN GENERAL.—The purpose of this section is to support workforce development activities for Indian and Native Hawaiian individuals in order—

(A) to develop more fully the academic, occupational, and literacy skills of such individuals;

(B) to make such individuals more competitive in the workforce; and

(C) to promote the economic and social development of Indian and Native Hawaiian communities in accordance with the goals and values of such communities.

(2) INDIAN POLICY.—All programs assisted under this section shall be administered in a manner consistent with the principles of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) and the government-to-government relationship between the Federal Government and Indian tribal governments.

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

(1) ALASKA NATIVE.—The term "Alaska Native" means a Native as such term is defined in section 3(b) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(b)).

(2) INDIAN, INDIAN TRIBE, AND TRIBAL ORGANIZATION.—The terms "Indian", "Indian tribe", and "tribal organization" have the same meanings given such terms in subsections (d), (e) and (l), respectively, of section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

(3) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

(4) NATIVE HAWAIIAN AND NATIVE HAWAIIAN ORGANIZATION.—The terms "Native Hawaiian" and "Native Hawaiian organization" have the same meanings given such terms in paragraphs (1) and (3), respectively, of section 9212 of the Native Hawaiian Education Act (20 U.S.C. 7912).

(5) TRIBALLY CONTROLLED COMMUNITY COLLEGE.—The term "tribally controlled community college" has the same meaning given such term in section 2(a)(4) of the Tribally Controlled Community College Assistance Act of 1978 (25 U.S.C. 1801(a)(4)).

(6) TRIBALLY CONTROLLED POSTSECONDARY VOCATIONAL INSTITUTION.—The term "tribally controlled postsecondary vocational institution" means an institution of higher education that—

(A) is formally controlled, or has been formally sanctioned or chartered, by the governing body of an Indian tribe or Indian tribes;

(B) offers a technical degree or certificate granting program;

(C) is governed by a board of directors or trustees, a majority of whom are Indians;

(D) demonstrates adherence to stated goals, a philosophy, or a plan of operation, that fosters individual Indian economic and self-sufficiency opportunity, including programs that are appropriate to stated tribal goals of developing individual entrepreneurships and self-sustaining economic infrastructures on reservations;

(E) has been in operation for at least 3 years;

(F) holds accreditation with or is a candidate for accreditation by a nationally recognized accrediting authority for postsecondary vocational education; and

(G) enrolls the full-time equivalent of not fewer than 100 students, of whom a majority are Indians.

(c) PROGRAM AUTHORIZED.—

(1) ASSISTANCE AUTHORIZED.—From amounts made available under section 734(b)(2), the Governing Board shall make grants to, or enter into contracts or cooperative agreements with, Indian tribes and tribal organizations, Alaska Native entities, tribally controlled community colleges, tribally controlled postsecondary vocational institutions, Indian-controlled organizations serving Indians or Alaska Natives, and Native Hawaiian organizations to carry out the authorized activities described in subsection (d).

(2) FORMULA.—The Governing Board shall make grants to, or enter into contracts and cooperative agreements with, entities as described in paragraph (1) to carry out the activities described in paragraphs (2) and (3) of subsection (d) on the basis of a formula developed by the Governing Board in consultation with entities described in paragraph (1).

(d) AUTHORIZED ACTIVITIES.—

(1) IN GENERAL.—Funds made available under this section shall be used to carry out the activities described in paragraphs (2) and (3) that—

(A) are consistent with this section; and

(B) are necessary to meet the needs of Indians and Native Hawaiians preparing to enter, reenter, or retain unsubsidized employment.

(2) WORKFORCE DEVELOPMENT ACTIVITIES AND SUPPLEMENTAL SERVICES.—

(A) IN GENERAL.—Funds made available under this section shall be used for—

(i) comprehensive workforce development activities for Indians and Native Hawaiians;

(ii) supplemental services for Indian or Native Hawaiian youth on or near Indian reservations in Oklahoma, Alaska, or Hawaii; and

(iii) supplemental services to recipients of public assistance on or near Indian reservations or former reservation areas in Oklahoma or in Alaska.

(B) SPECIAL RULE.—Notwithstanding any other provision of this section, individuals who were eligible to participate in programs under section 401 of the Job Training Partnership Act (29 U.S.C. 1671) (as such section was in effect on the day before the date of enactment of this Act) shall be eligible to participate in an activity assisted under subparagraph (A)(i).

(3) VOCATIONAL EDUCATION, ADULT EDUCATION, AND LITERACY SERVICES.—Funds made available under this section shall be used for—

(A) workforce education activities conducted by entities described in subsection (c)(1); and

(B) the support of tribally controlled postsecondary vocational institutions in order to ensure continuing and expanded educational opportunities for Indian students.

(e) PROGRAM PLAN.—In order to receive a grant or enter into a contract or cooperative agreement under this section an entity described in subsection (c)(1) shall submit to the Governing Board a plan that describes a 3-year strategy for meeting the needs of Indian and Native Hawaiian individuals, as appropriate, in the area served by such entity. Such plan shall—

(1) be consistent with the purposes of this section;

(2) identify the population to be served;

(3) identify the education and employment needs of the population to be served and the manner in which the services to be provided will strengthen the ability of the individuals served to obtain or retain unsubsidized employment;

(4) describe the services to be provided and the manner in which such services are to be integrated with other appropriate services; and

(5) describe the goals and benchmarks to be used to assess the performance of entities in carrying out the activities assisted under this section.

(f) FURTHER CONSOLIDATION OF FUNDS.—Each entity receiving assistance under this section may consolidate such assistance with assistance received from related programs in accordance with the provisions of the Indian Employment, Training and Related Services Demonstration Act of 1992 (25 U.S.C. 3401 et seq.).

(g) NONDUPLICATIVE AND NONEXCLUSIVE SERVICES.—Nothing in this section shall be construed—

(1) to limit the eligibility of any entity described in subsection (c)(1) to participate in any program offered by a State or local entity under this title; or

(2) to preclude or discourage any agreement, between any entity described in subsection (c)(1) and any State or local entity, to facilitate the provision of services by such entity or to the population served by such entity.

(h) PARTNERSHIP PROVISIONS.—

(1) OFFICE ESTABLISHED.—The Governing Board shall establish an office within the Federal Partnership to administer the activities assisted under this section.

(2) CONSULTATION REQUIRED.—

(A) IN GENERAL.—The Governing Board, through the office established under paragraph (1), shall develop regulations and policies for activities assisted under this section in consultation with tribal organizations and Native Hawaiian organizations. Such regulations and policies shall take into account the special circumstances under which such activities operate.

(B) ADMINISTRATIVE SUPPORT.—The Governing Board shall provide such administrative support to the office established under paragraph (1) as the Governing Board determines to be necessary to carry out the consultation required by subparagraph (A).

(3) TECHNICAL ASSISTANCE.—The Governing Board, through the office established under paragraph (1), is authorized to provide technical assistance to entities described in subsection (c)(1) that receive assistance under this section to enable such entities to improve the workforce development activities provided by such entities.

SEC. 718. GRANTS TO OUTLYING AREAS.

(a) GENERAL AUTHORITY.—Using funds made available under section 734(b)(3), the Governing Board shall make grants to outlying areas to carry out workforce development activities.

(b) APPLICATION.—The Governing Board shall issue regulations specifying the provisions of this title that shall apply to outlying areas that receive funds under this subtitle.

CHAPTER 2—LOCAL PROVISIONS

SEC. 721. LOCAL APPORTIONMENT BY ACTIVITY.

(a) WORKFORCE EMPLOYMENT ACTIVITIES.—

(1) IN GENERAL.—The sum of the funds made available to a State for any program year under paragraphs (1) and (3) of section 713(a) for workforce employment activities shall be made available to the Governor of such State for use in accordance with paragraph (2).

(2) DISTRIBUTION.—Of the sum described in paragraph (1), for a program year—

(A) 25 percent shall be reserved by the Governor to carry out workforce employment activities through the statewide system; and

(B) 75 percent shall be distributed by the Governor to local entities to carry out workforce employment activities through the statewide system, based on—

(i) such factors as the relative distribution among substate areas of individuals who are not less than 15 and not more than 65, individuals in poverty, unemployed individuals, and adult recipients of assistance, as determined using the definitions specified and the determinations described in section 712(b); and

(ii) such additional factors as the Governor (in consultation with local partnerships described in section 728(a) or, where established, local workforce development boards described in section 728(b)), determines to be necessary.

(b) WORKFORCE EDUCATION ACTIVITIES.—

(1) IN GENERAL.—The sum of the funds made available to a State for any program year under paragraphs (2) and (3) of section 713(a) for workforce education activities shall be made available to the State educational agency serving such State for use in accordance with paragraph (2).

(2) DISTRIBUTION.—Of the sum described in paragraph (1), for a program year—

(A) 20 percent shall be reserved by the State educational agency to carry out statewide workforce education activities through the statewide system, of which not more than 5 percent of such 20 percent may be used for administrative expenses; and

(B) 80 percent shall be distributed by the State educational agency to entities eligible for financial assistance under section 722, 723, or 724, to carry out workforce education activities through the statewide system.

(3) STATE DETERMINATIONS.—From the amount available to a State educational agency under paragraph (2)(B) for a program year, such agency shall determine the percentage of such amount that will be distributed in accordance with sections 722, 723, and 724 for such year for workforce education activities in such State in each of the following areas:

(A) Secondary school vocational education, or postsecondary and adult vocational education, or both; and

(B) Adult education.

(c) SPECIAL RULE.—Nothing in this subtitle shall be construed to prohibit any individual or agency in a State (other than the State educational agency) that is administering workforce education activities on the day preceding the date of enactment of this Act from continuing to administer such activities under this subtitle.

SEC. 722. DISTRIBUTION FOR SECONDARY SCHOOL VOCATIONAL EDUCATION.

(a) ALLOCATION.—Except as otherwise provided in this section and section 725, each State educational agency shall distribute the portion of the funds made available for any program year (from funds made available for the corresponding fiscal year, as determined under section 734(c)) by such agency for secondary school vocational education under section 721(b)(3)(A) to local educational agencies within the State as follows:

(1) SEVENTY PERCENT.—From 70 percent of such portion, each local educational agency shall be allocated an amount that bears the same relationship to such 70 percent as the amount such local educational agency was allocated under section 1124 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6333) for the preceding fiscal year bears to the total amount received under such section by all local educational agencies in the State for such year.

(2) TWENTY PERCENT.—From 20 percent of such portion, each local educational agency shall be allocated an amount that bears the same relationship to such 20 percent as the number of students with disabilities who have individualized education programs under section 614(a)(5) of the Individuals with Disabilities Education Act (20 U.S.C. 1414(a)(5)) served by such local educational agency for the preceding fiscal year bears to the total number of such students served by all local educational agencies in the State for such year.

(3) TEN PERCENT.—From 10 percent of such portion, each local educational agency shall be allocated an amount that bears the same relationship to such 10 percent as the number of students enrolled in schools and adults enrolled in training programs under the jurisdiction of such local educational agency for the preceding fiscal year bears to the number of students enrolled in schools and adults enrolled in training programs under the jurisdiction of all local educational agencies in the State for such year.

(b) MINIMUM ALLOCATION.—

(1) IN GENERAL.—Except as provided in paragraph (2), no local educational agency shall receive an allocation under subsection (a) unless the amount allocated to such agency under subsection (a) is not less than $15,000. A local educational agency may enter into a consortium with other local educational agencies for purposes of meeting the minimum allocation requirement of this paragraph.

(2) WAIVER.—The State educational agency may waive the application of paragraph (1) in any case in which the local educational agency—

(A) is located in a rural, sparsely-populated area; and

(B) demonstrates that such agency is unable to enter into a consortium for purposes of providing services under this section.

(3) REDISTRIBUTION.—Any amounts that are not allocated by reason of paragraph (1) or (2) shall be redistributed to local educational agencies that meet the requirements of paragraph (1) or (2) in accordance with the provisions of this section.

(c) LIMITED JURISDICTION AGENCIES.—

(1) IN GENERAL.—In applying the provisions of subsection (a), no State educational agency receiving assistance under this subtitle shall allocate funds to a local educational agency that serves only elementary schools, but shall distribute such funds to the local educational agency or regional educational agency that provides secondary school services to secondary school students in the same attendance area.

(2) SPECIAL RULE.—The amount to be allocated under paragraph (1) to a local educational agency that has jurisdiction only over secondary schools shall be determined based on the number of students that entered such secondary schools in the previous year from the elementary schools involved.

(d) ALLOCATIONS TO AREA VOCATIONAL EDUCATION SCHOOLS AND EDUCATIONAL SERVICE AGENCIES.—

(1) IN GENERAL.—Each State educational agency shall distribute the portion of funds made available for any program year by such agency for secondary school vocational education under section 721(b)(3)(A) to the appropriate area vocational education school or educational service agency in any case in which—

(A) the area vocational education school or educational service agency, and the local educational agency concerned—

(i) have formed or will form a consortium for the purpose of receiving funds under this section; or

(ii) have entered into or will enter into a cooperative arrangement for such purpose; and

(B)(i) the area vocational education school or educational service agency serves an approximately equal or greater proportion of students who are individuals with disabilities or are low-income than the proportion of such students attending the secondary schools under the jurisdiction of all of the local educational agencies sending students to the area vocational education school or the educational service agency; or

(ii) the area vocational education school, educational service agency, or local educational agency demonstrates that the vocational education school or educational service agency is unable to meet the criterion described in clause (i) due to the lack of interest by students described in clause (i) in attending vocational education programs in that area vocational education school or educational service agency.

(2) ALLOCATION BASIS.—If an area vocational education school or educational service agency meets the requirements of paragraph (1), then—

(A) the amount that will otherwise be distributed to the local educational agency under this section shall be allocated to the area vocational education school, the educational service agency, and the local educational agency, based on each school's or agency's relative share of students described in paragraph (1)(B)(i) who are attending vocational education programs (based, if practicable, on the average enrollment for the prior 3 years); or

(B) such amount may be allocated on the basis of an agreement between the local educational agency and the area vocational education school or educational service agency.

(3) STATE DETERMINATION.—

(A) IN GENERAL.—For the purposes of this subsection, the State educational agency may determine the number of students who are low-income on the basis of—

(i) eligibility for—

(I) free or reduced-price meals under the National School Lunch Act (7 U.S.C. 1751 et seq.);

(II) assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

(III) benefits under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.); or

(IV) services under title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.); and

(ii) another index of economic status, including an estimate of such index, if the State educational agency demonstrates to the satisfaction of the Governing Board that such index is a more representative means of determining such number.

(B) DATA.—If a State educational agency elects to use more than 1 factor described in subparagraph (A) for purposes of making the determination described in such subparagraph, the State educational agency shall ensure that the data used is not duplicative.

(4) APPEALS PROCEDURE.—The State educational agency shall establish an appeals procedure for resolution of any dispute arising between a local educational agency and an area vocational education school or an educational service agency with respect to the allocation procedures described in this section, including the decision of a local educational agency to leave a consortium.

(5) SPECIAL RULE.—Notwithstanding the provisions of paragraphs (1), (2), (3), and (4), any local educational agency receiving an allocation that is not sufficient to conduct a secondary school vocational education program of sufficient size, scope, and quality to be effective may—

(A) form a consortium or enter into a cooperative agreement with an area vocational education school or educational service agency offering secondary school vocational education programs of sufficient size, scope, and quality to be effective and that are accessible to students who are individuals with disabilities or are low-income, and are served by such local educational agency; and

(B) transfer such allocation to the area vocational education school or educational service agency.

(e) SPECIAL RULE.—Each State educational agency distributing funds under this section shall treat a secondary school funded by the Bureau of Indian Affairs within the State as if such school were a local educational agency within the State for the purpose of receiving a distribution under this section.

SEC. 723. DISTRIBUTION FOR POSTSECONDARY AND ADULT VOCATIONAL EDUCATION.

(a) ALLOCATION.—

(1) IN GENERAL.—Except as provided in subsection (b) and section 725, each State educational agency, using the portion of the funds made available for any program year by such agency for postsecondary and adult vocational education under section 721(b)(3)(A)—

(A) shall reserve funds to carry out subsection (d); and

(B) shall distribute the remainder to eligible institutions or consortia of the institutions within the State.

(2) FORMULA.—Each such eligible institution or consortium shall receive an amount for the program year (from funds made available for the corresponding fiscal year, as determined under section 734(c)) from such remainder bears the same relationship to such remainder as the number of individuals who are Pell Grant recipients or recipients of assistance from the Bureau of Indian Affairs

and are enrolled in programs offered by such institution or consortium for the preceding fiscal year bears to the number of all such individuals who are enrolled in any such program within the State for such preceding year.

(3) CONSORTIUM REQUIREMENTS.—In order for a consortium of eligible institutions described in paragraph (1) to receive assistance pursuant to such paragraph such consortium shall operate joint projects that—

(A) provide services to all postsecondary institutions participating in the consortium; and

(B) are of sufficient size, scope, and quality to be effective.

(b) WAIVER FOR MORE EQUITABLE DISTRIBUTION.—The Governing Board may waive the application of subsection (a) in the case of any State educational agency that submits to the Governing Board an application for such a waiver that—

(1) demonstrates that the formula described in subsection (a) does not result in a distribution of funds to the institutions or consortia within the State that have the highest numbers of low-income individuals and that an alternative formula will result in such a distribution; and

(2) includes a proposal for an alternative formula that may include criteria relating to the number of individuals attending the institutions or consortia within the State who—

(A) receive need-based postsecondary financial aid provided from public funds;

(B) are members of families receiving assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

(C) are enrolled in postsecondary educational institutions that—

(i) are funded by the State;

(ii) do not charge tuition; and

(iii) serve only low-income students;

(D) are enrolled in programs serving low-income adults; or

(E) are Pell Grant recipients.

(c) MINIMUM AMOUNT.—

(1) IN GENERAL.—No distribution of funds provided to any institution or consortium for a program year under this section shall be for an amount that is less than $50,000.

(2) REDISTRIBUTION.—Any amounts that are not distributed by reason of paragraph (1) shall be redistributed to eligible institutions or consortia in accordance with the provisions of this section.

(d) SPECIAL RULE FOR CRIMINAL OFFENDERS.—Each State educational agency shall distribute the funds reserved under subsection (a)(1)(A) to 1 or more State corrections agencies to enable the State corrections agencies to administer vocational education programs for juvenile and adult criminal offenders in correctional institutions in the State, including correctional institutions operated by local authorities.

(e) DEFINITION.—For the purposes of this section—

(1) the term "eligible institution" means an institution of higher education, a local educational agency serving adults, or an area vocational education school serving adults that offers or will offer a program that seeks to receive financial assistance under this section;

(2) the term "institution of higher education", notwithstanding section 427(b)(2) of the Higher Education Amendments of 1992 (20 U.S.C. 1085 note), has the meaning given the term in section 435(b) of the Higher Education Act of 1965 as such section was in effect on July 22, 1992;

(3) the term "low-income", used with respect to a person, means a person who is determined under guidelines developed by the Governing Board to be low-income, using the most recent available data provided by the Bureau of the Census, prior to the determination; and

(4) the term "Pell Grant recipient" means a recipient of financial aid under subpart 1 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070a et seq.).

SEC. 724. DISTRIBUTION FOR ADULT EDUCATION.

(a) IN GENERAL.—Except as provided in subsection (b)(3), from the amount made available by a State educational agency for adult education under section 721(b)(3)(B) for a program year, such agency shall award grants, on a competitive basis, to local educational agencies, correctional education agencies, community-based organizations of demonstrated effectiveness, volunteer literacy organizations, public or private nonprofit agencies, postsecondary educational institutions, public housing authorities, and other nonprofit institutions that have the ability to provide literacy services to adults and families, or consortia of agencies, organizations, or institutions described in this subsection, to enable such agencies, organizations, institutions, and consortia to establish or expand adult education programs.

(b) GRANT REQUIREMENTS.—

(1) ACCESS.—Each State educational agency making funds available for any program year for adult education under section 721(b)(3)(B) shall ensure that the entities described in subsection (a) will be provided direct and equitable access to all Federal funds provided under this section.

(2) CONSIDERATIONS.—In awarding grants under this section, the State educational agency shall consider—

(A) the past effectiveness of applicants in providing services (especially with respect to recruitment and retention of educationally disadvantaged adults and the learning gains demonstrated by such adults);

(B) the degree to which an applicant will coordinate and utilize other literacy and social services available in the community; and

(C) the commitment of the applicant to serve individuals in the community who are most in need of literacy services.

(3) CONSORTIA.—A State educational agency may award a grant under subsection (a) to a consortium that includes an entity described in subsection (a) and a for-profit agency, organization, or institution, if such agency, organization, or institution—

(A) can make a significant contribution to carrying out the purposes of this title; and

(B) enters into a contract with the entity described in subsection (a) for the purpose of establishing or expanding adult education programs.

(c) LOCAL ADMINISTRATIVE COSTS LIMITS.—

(1) IN GENERAL.—Except as provided in paragraph (2), of the funds provided under this section by a State educational agency to an agency, organization, institution, or consortium described in subsection (a), at least 95 percent shall be expended for provision of adult education instructional activities. The remainder shall be used for planning, administration, personnel development, and interagency coordination.

(2) SPECIAL RULE.—In cases where the cost limits described in paragraph (1) will be too restrictive to allow for adequate planning, administration, personnel development, and interagency coordination supported under this section, the State educational agency shall negotiate with the agency, organization, institution, or consortium described in subsection (a) in order to determine an adequate level of funds to be used for non-instructional purposes.

SEC. 725. SPECIAL RULE FOR MINIMAL ALLOCATION.

(a) GENERAL AUTHORITY.—For any program year for which a minimal amount is made available by a State educational agency for distribution under section 722 or 723 such agency may, notwithstanding the provisions of section 722 or 723, respectively, in order to make a more equitable distribution of funds for programs serving the highest numbers of low-income individuals (as defined in section 723(e)), distribute such minimal amount—

(1) on a competitive basis; or

(2) through any alternative method determined by the State educational agency.

(b) MINIMAL AMOUNT.—For purposes of this section, the term "minimal amount" means not more than 15 percent of the total amount made available by the State educational agency under section 721(b)(3)(A) for section 722 or 723, respectively, for such program year.

SEC. 726. REDISTRIBUTION.

(a) IN GENERAL.—In any program year that an entity receiving financial assistance under section 722 or 723 does not expend all of the amounts distributed to such entity for such year under section 722 or 723, respectively, such entity shall return any unexpended amounts to the State educational agency for distribution under section 722 or 723, respectively.

(b) REDISTRIBUTION OF AMOUNTS RETURNED LATE IN A PROGRAM YEAR.—In any program year in which amounts are returned to the State educational agency under subsection (a) for programs described in section 722 or 723 and the State educational agency is unable to redistribute such amounts according to section 722 or 723, respectively, in time for such amounts to be expended in such program year, the State educational agency shall retain such amounts for distribution in combination with amounts provided under such section for the following program year.

SEC. 727. LOCAL APPLICATION FOR WORKFORCE EDUCATION ACTIVITIES.

(a) IN GENERAL.—

(1) IN GENERAL.—Each eligible entity desiring financial assistance under this subtitle for workforce education activities shall submit an application to the State educational agency at such time, in such manner and accompanied by such information as such agency (in consultation with such other educational entities as the State educational agency determines to be appropriate) may require. Such application shall cover the same period of time as the period of time applicable to the State workforce development plan.

(2) DEFINITION.—For the purpose of this section the term "eligible entity" means an entity eligible for financial assistance under section 722, 723, or 724 from a State educational agency.

(b) CONTENTS.—Each application described in subsection (a) shall, at a minimum—

(1) describe how the workforce education activities required under section 716(b), and other workforce education activities, will be carried out with funds received under this subtitle;

(2) describe how the activities to be carried out relate to meeting the State goals, and reaching the State benchmarks, concerning workforce education activities;

(3) describe how the activities to be carried out are an integral part of the comprehensive efforts of the eligible entity to improve education for all students and adults;

(4) describe the process that will be used to independently and continuously improve the performance of the eligible entity; and

(5) describe how the eligible entity will coordinate the activities of the entity with the activities of the local workforce development board, if any, in the substate area.

SEC. 728. LOCAL PARTNERSHIPS, AGREEMENTS, AND WORKFORCE DEVELOPMENT BOARDS.

(a) LOCAL AGREEMENTS.—

(1) IN GENERAL.—After a Governor submits the State plan described in section 714 to the Governing Board, the Governor shall negotiate and enter into a local agreement regarding the workforce employment activities, school-to-work activities, and economic development activities (within a State that is eligible to carry out such activities, as described in subsection (c)) to be carried out in each substate area in the State with local partnerships (or, where established, local workforce development boards described in subsection (b)).

(2) LOCAL PARTNERSHIPS.—

(A) IN GENERAL.—A local partnership referred to in paragraph (1) shall be established by the local chief elected official, in accordance with subparagraphs (B) and (C), and shall consist of individuals representing business, industry, and labor, local secondary schools, local postsecondary education institutions, local adult education providers, local elected officials, rehabilitation agencies and organizations, and community-based organizations, within the appropriate substate area.

(B) MULTIPLE JURISDICTIONS.—In any case in which there are 2 or more units of general local government in the substate area involved, the chief elected official of each such unit shall appoint members of the local partnership in accordance with an agreement entered into by such chief elected officials. In the absence of such an agreement, such appointments shall be made by the Governor of the State involved from the individuals nominated or recommended by the chief elected officials.

(C) SELECTION OF BUSINESS AND INDUSTRY REPRESENTATIVES.—Individuals representing business and industry in the local partnership shall be appointed by the chief elected official from nominations submitted by business organizations in the substate area involved. Such individuals shall reasonably represent the industrial and demographic composition of the business community. Where possible, at least 50 percent of such business and industry representatives shall be representatives of small business.

(3) BUSINESS AND INDUSTRY INVOLVEMENT.—The business and industry representatives shall have a lead role in the design, management, and evaluation of the activities to be carried out in the substate area under the local agreement.

(4) CONTENTS.—

(A) STATE GOALS AND STATE BENCHMARKS.—Such an agreement shall include a description of the manner in which funds allocated to a substate area under this subtitle will be spent to meet the State goals and reach the State benchmarks in a manner that reflects local labor market conditions.

(B) COLLABORATION.—The agreement shall also include information that demonstrates the manner in which—

(i) the Governor; and

(ii) the local partnership (or, where established, the local workforce development board);

collaborated in reaching the agreement.

(5) FAILURE TO REACH AGREEMENT.—If, after a reasonable effort, the Governor is unable to enter into an agreement with the local partnership (or, where established, the local workforce development board), the Governor shall notify the partnership or board, as appropriate, and provide the partnership or board, as appropriate, with the opportunity to comment, not later than 30 days after the date of the notification, on the manner in which funds allocated to such substate area will be spent to meet the State goals and reach the State benchmarks.

(6) EXCEPTION.—A State that indicates in the State plan described in section 714 that the State will be treated as a substate area for purposes of the application of this subtitle shall not be subject to this subsection.

(b) LOCAL WORKFORCE DEVELOPMENT BOARDS.—

(1) IN GENERAL.—Each State may facilitate the establishment of local workforce development boards in each substate area to set policy and provide oversight over the workforce development activities in the substate area.

(2) MEMBERSHIP.—

(A) STATE CRITERIA.—The Governor shall establish criteria for use by local chief elected officials in each substate area in the selection of members of the local workforce development boards, in accordance with the requirements of subparagraph (B).

(B) REPRESENTATION REQUIREMENT.—Such criteria shall require, at a minimum, that a local workforce development board consist of—

(i) representatives of business and industry in the substate area, who shall constitute a majority of the board;

(ii) representatives of labor, workers, and community-based organizations, who shall constitute not less than 25 percent of the members of the board;

(iii) representatives of local secondary schools, postsecondary education institutions, and adult education providers;

(iv) representatives of veterans; and

(v) 1 or more individuals with disabilities, or their representatives.

(C) CHAIR.—Each local workforce development board shall select a chairperson from among the members of the board who are representatives of business and industry.

(3) CONFLICT OF INTEREST.—No member of a local workforce development board shall vote on a matter relating to the provision of services by the member (or any organization that the member directly represents) or vote on a matter that would provide direct financial benefit to such member or the immediate family of such member or engage in any other activity determined by the Governor to constitute a conflict of interest.

(4) FUNCTIONS.—The functions of the local workforce development board shall include—

(A) submitting to the Governor a single comprehensive 3-year strategic plan for workforce development activities in the substate area that includes information—

(i) identifying the workforce development needs of local industries, students, job-seekers, and workers;

(ii) identifying the workforce development activities to be carried out in the substate area with funds received through the allotment made to the State under section 712, to meet the State goals and reach the State benchmarks; and

(iii) identifying how the local workforce development board will obtain the active and continuous participation of business, industry, and labor in the development and continuous improvement of the workforce development activities carried out in the substate area;

(B) entering into local agreements with the Governor as described in subsection (a);

(C) overseeing the operations of the one-stop delivery of core services described in section 716(a)(2) in the substate area, including the responsibility to—

(i) designate local entities to operate the one-stop delivery in the substate area, consistent with the criteria referred to in section 716(a)(2); and

(ii) develop and approve the budgets and annual operating plans of the providers of the one-stop delivery; and

(D) submitting annual reports to the Governor on the progress being made in the substate area toward meeting the State goals and reaching the State benchmarks.

(5) CONSULTATION.—A local workforce development board that serves a substate area shall conduct the functions described in paragraph (4) in consultation with the chief elected officials in the substate area.

(c) ECONOMIC DEVELOPMENT ACTIVITIES.—A State shall be eligible to use the funds made available through the flex account for flexible workforce activities to carry out economic development activities if—

(1) the boards described in section 715 and subsection (b) are established in the State; or

(2) in the case of a State that indicates in the State plan described in section 714 that the State will be treated as a substate area for purposes of the application of this subtitle, the board described in section 715 is established in the State.

CHAPTER 3—ADMINISTRATION

SEC. 731. ACCOUNTABILITY.

(a) REPORT.—

(1) IN GENERAL.—Each State that receives an allotment under section 712 shall annually prepare and submit to the Governing Board a report that states how the State is performing on State benchmarks specified in this section, which relate to workforce development activities carried out through the statewide system of the State. In preparing the report, the State may include information on such additional benchmarks as the State may establish to meet the State goals.

(2) CONSOLIDATED REPORT.—In lieu of submitting separate reports under paragraph (1) and section 409(a) of the Social Security Act, the State may prepare a consolidated report. Any consolidated report prepared under this paragraph shall contain the information described in paragraph (1) and subsections (a) through (h) of section 409 of the Social Security Act. The State shall submit any consolidated report prepared under this paragraph to the Governing Board, the Secretary of Agriculture, and the Secretary of Health and Human Services, on the dates specified in section 409(a) of the Social Security Act.

(b) GOALS.—

(1) MEANINGFUL EMPLOYMENT.—Each statewide system supported by an allotment under section 712 shall be designed to meet the goal of assisting participants in obtaining meaningful unsubsidized employment opportunities in the State.

(2) EDUCATION.—Each statewide system supported by an allotment under section 712 shall be designed to meet the goal of enhancing and developing more fully the academic, occupational, and literacy skills of all segments of the population of the State.

(c) BENCHMARKS.—

(1) MEANINGFUL EMPLOYMENT.—To be eligible to receive an allotment under section 712, a State shall develop, in accordance with paragraph (5), and identify in the State plan of the State, proposed quantifiable benchmarks to measure the statewide progress of

the State toward meeting the goal described in subsection (b)(1), which shall include, at a minimum, measures of—

(A) placement in unsubsidized employment of participants;

(B) retention of the participants in such employment (12 months after completion of the participation); and

(C) increased earnings for the participants.

(2) EDUCATION.—To be eligible to receive an allotment under section 712, a State shall develop, in accordance with paragraph (5), and identify in the State plan of the State, proposed quantifiable benchmarks to measure the statewide progress of the State toward meeting the goal described in subsection (b)(2), which shall include, at a minimum, measures of—

(A) student mastery of academic knowledge and work readiness skills;

(B) student mastery of occupational and industry-recognized skills according to skill proficiencies for students in career preparation programs;

(C) placement in, retention in, and completion of secondary education (as determined under State law) and postsecondary education, and placement and retention in employment and in military service; and

(D) mastery of the literacy, knowledge, and skills adults need to be productive and responsible citizens and to become more actively involved in the education of their children.

(3) POPULATIONS.—To be eligible to receive an allotment under section 712, a State shall develop, in accordance with paragraph (5), and identify in the State plan of the State, proposed quantifiable benchmarks to measure progress toward meeting the goals described in subsection (b) for populations including, at a minimum—

(A) welfare recipients (including a benchmark for welfare recipients described in section 3(34)(B));

(B) individuals with disabilities;

(C) older workers;

(D) at-risk youth; and

(E) dislocated workers.

(4) SPECIAL RULE.—If a State has developed performance indicators, attainment levels, or assessments for skills according to challenging academic, occupational, or industry-recognized skill proficiencies, the State shall use such performance indicators, attainment levels, or assessments in measuring the progress of all students in attaining the skills.

(5) NEGOTIATIONS.—

(A) INITIAL DETERMINATION.—On receipt of a State plan submitted under section 714, the Governing Board shall, not later than 30 days after the date of the receipt, determine—

(i) how the proposed State benchmarks identified by the State in the State plan compare to the model benchmarks established by the Governing Board under section 771(b)(4)(B)(ii);

(ii) how the proposed State benchmarks compare with State benchmarks proposed by other States in their State plans; and

(iii) whether the proposed State benchmarks, taken as a whole, are sufficient—

(I) to enable the State to meet the State goals; and

(II) to make the State eligible for an incentive grant under section 732(a).

(B) NOTIFICATION.—The Governing Board shall immediately notify the State of the determinations referred to in subparagraph (A). If the Governing Board determines that the proposed State benchmarks are not sufficient to make the State eligible for an incentive grant under section 732(a), the Governing Board shall provide the State with guidance on the steps the State may take to allow the State to become eligible for the grant.

(C) REVISION.—Not later than 30 days after the date of receipt of the notification referred to in subparagraph (B), the State may revise some or all of the State benchmarks identified in the State plan in order to become eligible for the incentive grant or provide reasons why the State benchmarks should be sufficient to make the State eligible for the incentive grant.

(D) FINAL DETERMINATION.—After reviewing any revised State benchmarks or information submitted by the State in accordance with subparagraph (C), the Governing Board shall issue a final determination on the eligibility of the State for the incentive grant.

(6) INCENTIVE GRANTS.—Each State that sets high benchmarks under paragraph (1), (2), or (3) and reaches or exceeds the benchmarks, as determined by the Governing Board, shall be eligible to receive an incentive grant under section 732(a).

(7) SANCTIONS.—A State that has failed to demonstrate sufficient progress toward reaching the State benchmarks established under this subsection for the 3 years covered by a State plan described in section 714, as determined by the Governing Board, may be subject to sanctions under section 732(b).

(d) JOB PLACEMENT ACCOUNTABILITY SYSTEM.—

(1) IN GENERAL.—Each State that receives an allotment under section 712 shall establish a job placement accountability system, which will provide a uniform set of data to track the progress of the State toward reaching the State benchmarks.

(2) DATA.—

(A) IN GENERAL.—In order to maintain data relating to the measures described in subsection (c)(1), each such State shall establish a job placement accountability system using quarterly wage records available through the unemployment insurance system. The State agency or entity within the State responsible for labor market information, as designated in section 773(c)(1)(B), in conjunction with the Commissioner of Labor Statistics, shall maintain the job placement accountability system and match information on participants served by the statewide systems of the State and other States with quarterly employment and earnings records.

(B) REIMBURSEMENT.—Each local entity that carries out workforce employment activities or workforce education activities and that receives funds under this subtitle shall provide information regarding the social security numbers of the participants served by the entity and such other information as the State may require to the State agency or entity within the State responsible for labor market information, as designated in section 773(c)(1)(B).

(C) CONFIDENTIALITY.—The State agency or entity within the State responsible for labor market information, as designated in section 773(c)(1)(B), shall protect the confidentiality of information obtained through the job placement accountability system through the use of recognized security procedures.

(e) INDIVIDUAL ACCOUNTABILITY.—Each State that receives an allotment under section 712 shall devise and implement procedures to provide, in a timely manner, information on participants in activities carried out through the statewide system who are participating as a condition of receiving welfare assistance. The procedures shall require that the State provide the information to the State and local agencies carrying out the programs through which the welfare assistance is provided, in a manner that ensures that the agencies can monitor compliance with the conditions regarding the receipt of the welfare assistance.

SEC. 732. INCENTIVES AND SANCTIONS.

(a) INCENTIVES.—

(1) IN GENERAL.—The Governing Board may award incentive grants of not more than $15,000,000 per program year to a State that—

(A) reaches or exceeds State benchmarks established under section 731(c), with an emphasis on the benchmarks established under section 731(c)(3), in accordance with section 731(c)(6); or

(B) demonstrates to the Governing Board that the State has made substantial reductions in the number of adult recipients of assistance, as defined in section 712(b)(1)(A), resulting from increased placement of such adult recipients of assistance.

(2) USE OF FUNDS.—A State that receives such a grant may use the funds made available through the grant to carry out any workforce development activities authorized under this title.

(b) SANCTIONS.—

(1) FAILURE TO DEMONSTRATE SUFFICIENT PROGRESS.—If the Governing Board determines, after notice and an opportunity for a hearing, that a State has failed to demonstrate sufficient progress toward reaching the State benchmarks established under section 731(c) for the 3 years covered by a State plan described in section 714, the Governing Board may reduce the allotment of the State under section 712 by not more than 10 percent per program year for not more than 3 years. The Governing Board may determine that the failure of the State to demonstrate such progress is attributable to the workforce employment activities, workforce education activities, or flexible workforce activities, of the State, and reduce only the portion of the allotment for such activities.

(2) EXPENDITURE CONTRARY TO TITLE.—If the Governor of a State determines that a local entity that carries out workforce employment activities in a substate area of the State has expended funds made available under this title in a manner contrary to the purposes of this title, and such expenditures do not constitute fraudulent activity, the Governor may deduct an amount equal to the funds from a subsequent program year allocation to the substate area.

(c) FUNDS RESULTING FROM REDUCED ALLOTMENTS.—The Governing Board may use an amount retained as a result of a reduction in an allotment made under subsection (b)(1) to award an incentive grant under subsection (a).

SEC. 733. UNEMPLOYMENT TRUST FUND.

(a) IN GENERAL.—Section 901(c) of the Social Security Act (42 U.S.C. 1101(c)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking clause (ii) and inserting the following:

"(ii) the establishment and maintenance of statewide workforce development systems, to the extent the systems are used to carry out activities described in section 773, or in any of clauses (ii) through (v) of section 716(a)(2)(B), of the Workforce Development Act of 1995, and"; and

(B) in subparagraph (B)—

(i) in the matter preceding clause (i), by striking "Department of Labor" and inserting "Department of Labor or the Workforce Development Partnership, as appropriate,"; and

(ii) by striking clause (iii) and inserting the following:

"(iii) the Workforce Development Act of 1995,"; and

(2) in the first sentence of paragraph (4), by striking "the total cost" and all that follows through "the President determines" and inserting "the total cost of administering the statewide workforce development systems, to the extent the systems are used to carry out activities described in section 773, or in any of clauses (ii) through (v) of section 716(a)(2)(B), of the Workforce Development Act of 1995, and of the necessary expenses of the Workforce Development Partnership for the performance of the functions of the partnership under such Act, as the President determines".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect July 1, 1998.

SEC. 734. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out this title (other than subtitle C) $6,127,000,000 for each of fiscal years 1998 through 2001.

(b) RESERVATIONS.—Of the amount appropriated under subsection (a)—

(1) 92.7 percent shall be reserved for making allotments under section 712;

(2) 1.25 percent shall be reserved for carrying out section 717;

(3) 0.2 percent shall be reserved for carrying out section 718;

(4) 4.3 percent shall be reserved for making incentive grants under section 732(a) and for the administration of this title;

(5) 0.15 percent shall be reserved for carrying out sections 772 and 774; and

(6) 1.4 percent shall be reserved for carrying out section 773.

(c) PROGRAM YEAR.—

(1) IN GENERAL.—Appropriations for any fiscal year for programs and activities under this title shall be available for obligation only on the basis of a program year. The program year shall begin on July 1 in the fiscal year for which the appropriation is made.

(2) ADMINISTRATION.—Funds obligated for any program year may be expended by each recipient during the program year and the 2 succeeding program years and no amount shall be deobligated on account of a rate of expenditure that is consistent with the provisions of the State plan specified in section 714 that relate to workforce employment activities.

SEC. 735. EFFECTIVE DATE.

This subtitle shall take effect July 1, 1998.

Subtitle C—Job Corps and Other Workforce Preparation Activities for At-Risk Youth

CHAPTER 1—GENERAL JOB CORPS PROVISIONS

SEC. 741. PURPOSES.

The purposes of this subtitle are—

(1) to maintain a Job Corps for at-risk youth as part of statewide systems;

(2) to set forth standards and procedures for selecting individuals as enrollees in the Job Corps;

(3) to authorize the establishment of residential and nonresidential Job Corps centers in which enrollees will participate in intensive programs of workforce development activities;

(4) to prescribe various other powers, duties, and responsibilities incident to the operation and continuing development of the Job Corps; and

(5) to assist at-risk youth who need and can benefit from an unusually intensive program, operated in a group setting, to become more responsible, employable, and productive citizens.

SEC. 742. DEFINITIONS.

As used in this subtitle:

(1) ENROLLEE.—The term "enrollee" means an individual enrolled in the Job Corps.

(2) GOVERNOR.—The term "Governor" means the chief executive officer of a State.

(3) JOB CORPS.—The term "Job Corps" means the corps described in section 743.

(4) JOB CORPS CENTER.—The term "Job Corps center" means a center described in section 743.

SEC. 743. GENERAL AUTHORITY.

If a State receives an allotment under section 759, and a center located in the State received assistance under part B of title IV of the Job Training Partnership Act for fiscal year 1996 and was not closed in accordance with section 755, the State shall use a portion of the funds made available through the allotment to maintain the center, and carry out activities described in this subtitle for individuals enrolled in a Job Corps and assigned to the center.

SEC. 744. INDIVIDUALS ELIGIBLE FOR THE JOB CORPS.

To be eligible to become an enrollee, an individual shall be an at-risk youth.

SEC. 745. SCREENING AND SELECTION OF APPLICANTS.

(a) STANDARDS AND PROCEDURES.—

(1) IN GENERAL.—The State shall prescribe specific standards and procedures for the screening and selection of applicants for the Job Corps.

(2) IMPLEMENTATION.—To the extent practicable, the standards and procedures shall be implemented through arrangements with—

(A) one-stop career centers;

(B) agencies and organizations such as community action agencies, professional groups, and labor organizations; and

(C) agencies and individuals that have contact with youth over substantial periods of time and are able to offer reliable information about the needs and problems of the youth.

(3) CONSULTATION.—The standards and procedures shall provide for necessary consultation with individuals and organizations, including court, probation, parole, law enforcement, education, welfare, and medical authorities and advisers.

(b) SPECIAL LIMITATIONS.—No individual shall be selected as an enrollee unless the individual or organization implementing the standards and procedures determines that—

(1) there is a reasonable expectation that the individual can participate successfully in group situations and activities, is not likely to engage in behavior that would prevent other enrollees from receiving the benefit of the program or be incompatible with the maintenance of sound discipline and satisfactory relationships between the Job Corps center to which the individual might be assigned and surrounding communities; and

(2) the individual manifests a basic understanding of both the rules to which the individual will be subject and of the consequences of failure to observe the rules.

SEC. 746. ENROLLMENT AND ASSIGNMENT.

(a) RELATIONSHIP BETWEEN ENROLLMENT AND MILITARY OBLIGATIONS.—Enrollment in the Job Corps shall not relieve any individual of obligations under the Military Selective Service Act (50 U.S.C. App. 451 et seq.).

(b) ASSIGNMENT.—

(1) IN GENERAL.—Except as provided in paragraph (2), the State shall assign an enrollee to the Job Corps center within the State that is closest to the residence of the enrollee.

(2) AGREEMENTS WITH OTHER STATES.—The State may enter into agreements with 1 or more States to enroll individuals from the States in the Job Corps and assign the enrollees to Job Corps centers in the State.

SEC. 747. JOB CORPS CENTERS.

(a) DEVELOPMENT.—The State shall enter into an agreement with a Federal, State, or local agency, which may be a State board or agency that operates or wishes to develop an area vocational education school facility or residential vocational school, or with a private organization, for the establishment and operation of a Job Corps center.

(b) CHARACTER AND ACTIVITIES.—Job Corps centers may be residential or nonresidential in character, and shall be designed and operated so as to provide enrollees, in a well-supervised setting, with access to activities described in section 748.

(c) CIVILIAN CONSERVATION CENTERS.—The Job Corps centers may include Civilian Conservation Centers, located primarily in rural areas, which shall provide, in addition to other training and assistance, programs of work experience to conserve, develop, or manage public natural resources or public recreational areas or to develop community projects in the public interest.

(d) JOB CORPS OPERATORS.—To be eligible to receive funds under this chapter, an entity who entered into a contract with the Secretary of Labor that is in effect on the effective date of this section to carry out activities through a center under part B of title IV of the Job Training Partnership Act (as in effect on the day before the effective date of this section), shall enter into a contract with the State in which the center is located that contains provisions substantially similar to the provisions of the contract with the Secretary of Labor, as determined by the State.

SEC. 748. PROGRAM ACTIVITIES.

(a) ACTIVITIES PROVIDED THROUGH JOB CORPS CENTERS.—Each Job Corps center shall provide enrollees assigned to the center with access to activities described in section 716(a)(2)(B), and such other workforce development activities as may be appropriate to meet the needs of the enrollees, including providing work-based learning throughout the enrollment of the enrollees and assisting the enrollees in obtaining meaningful unsubsidized employment on completion of their enrollment.

(b) ARRANGEMENTS.—The State shall arrange for enrollees assigned to Job Corps centers in the State to receive workforce development activities through the statewide system, including workforce development activities provided through local public or private educational agencies, vocational educational institutions, or technical institutes.

(c) JOB PLACEMENT ACCOUNTABILITY.—Each Job Corps center located in a State shall be connected to the job placement accountability system of the State described in section 731(d).

SEC. 749. SUPPORT.

The State shall provide enrollees assigned to Job Corps centers in the State with such personal allowances as the State may determine to be necessary or appropriate to meet the needs of the enrollees.

SEC. 750. OPERATING PLAN.

To be eligible to operate a Job Corps center and receive assistance under section 759 for program year 1998 or any subsequent program year, an entity shall prepare and submit, to the Governor of the State in which the center is located, and obtain the approval of the Governor for, an operating plan that shall include, at a minimum, information indicating—

(1) in quantifiable terms, the extent to which the center will contribute to the

achievement of the proposed State goals and State benchmarks identified in the State plan for the State submitted under section 714;

(2) the extent to which workforce employment activities and workforce education activities delivered through the Job Corps center are directly linked to the workforce development needs of the industry sectors most important to the economic competitiveness of the State; and

(3) an implementation strategy to ensure that all enrollees assigned to the Job Corps center will have access to services through the one-stop delivery of core services described in section 716(a)(2) by the State.

SEC. 751. STANDARDS OF CONDUCT.

(a) PROVISION AND ENFORCEMENT.—The State shall provide, and directors of Job Corps center shall stringently enforce, standards of conduct within the centers. Such standards of conduct shall include provisions forbidding violence, drug abuse, and other criminal activity.

(b) DISCIPLINARY MEASURES.—To promote the proper moral and disciplinary conditions in the Job Corps, the directors of Job Corps centers shall take appropriate disciplinary measures against enrollees. If such a director determines that an enrollee has committed a violation of the standards of conduct, the director shall dismiss the enrollee from the Corps if the director determines that the retention of the enrollee in the Corps will jeopardize the enforcement of such standards or diminish the opportunities of other enrollees. If the director determines that an enrollee has engaged in an incident involving violence, drug abuse, or other criminal activity, the director shall immediately dismiss the enrollee from the Corps.

(c) APPEAL.—A disciplinary measure taken by a director under this section shall be subject to expeditious appeal in accordance with procedures established by the State.

SEC. 752. COMMUNITY PARTICIPATION.

The State shall encourage and cooperate in activities to establish a mutually beneficial relationship between Job Corps centers in the State and nearby communities. The activities may include the use of any local workforce development boards established in the State under section 728(b) to provide a mechanism for joint discussion of common problems and for planning programs of mutual interest.

SEC. 753. COUNSELING AND PLACEMENT.

The State shall ensure that enrollees assigned to Job Corps centers in the State receive counseling and job placement services, which shall be provided, to the maximum extent practicable, through the delivery of core services described in section 716(a)(2).

SEC. 754. LEASES AND SALES OF CENTERS.

(a) LEASES.—

(1) IN GENERAL.—The Secretary of Labor shall offer to enter into a lease with each State that has an approved State plan submitted under section 714 and in which 1 or more Job Corps centers are located.

(2) NOMINAL CONSIDERATION.—Under the terms of the lease, the Secretary of Labor shall lease the Job Corps centers in the State to the State in return for nominal consideration.

(3) INDEMNITY AGREEMENT.—To be eligible to lease such a center, a State shall enter into an agreement to hold harmless and indemnify the United States from any liability or claim for damages or injury to any person or property arising out of the lease.

(b) SALES.—Notwithstanding the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.), the Secretary of Labor shall offer each State described in subsection (a)(1) the opportunity to purchase the Job Corps centers in the State in return for nominal consideration.

SEC. 755. CLOSURE OF JOB CORPS CENTERS.

(a) NATIONAL JOB CORPS AUDIT.—Not later than March 31, 1997, the Governing Board shall conduct an audit of the activities carried out under part B of title IV of the Job Training Partnership Act (29 U.S.C. 1691 et seq.), and submit to the appropriate committees of Congress a report containing the results of the audit, including information indicating—

(1) the amount of funds expended for fiscal year 1996 to carry out activities under such part, for each State and for the United States;

(2) for each Job Corps center funded under such part (referred to in this subtitle as a "Job Corps center"), the amount of funds expended for fiscal year 1996 under such part to carry out activities related to the direct operation of the center, including funds expended for student training, outreach or intake activities, meals and lodging, student allowances, medical care, placement or settlement activities, and administration;

(3) for each Job Corps center, the amount of funds expended for fiscal year 1996 under such part through contracts to carry out activities not related to the direct operation of the center, including funds expended for student travel, national outreach, screening, and placement services, national vocational training, and national and regional administrative costs;

(4) for each Job Corps center, the amount of funds expended for fiscal year 1996 under such part for facility construction, rehabilitation, and acquisition expenses; and

(5) the amount of funds required to be expended under such part to complete each new or proposed Job Corps center, and to rehabilitate and repair each existing Job Corps center, as of the date of the submission of the report.

(b) RECOMMENDATIONS OF GOVERNING BOARD.—

(1) RECOMMENDATIONS.—The Governing Board shall, based on the results of the audit described in subsection (a), make recommendations to the Secretary of Labor, including identifying 25 Job Corps centers to be closed by September 30, 1997.

(2) CONSIDERATIONS.—

(A) IN GENERAL.—In determining whether to recommend that the Secretary of Labor close a Job Corps center, the Governing Board shall consider whether the center—

(i) has consistently received low performance measurement ratings under the Department of Labor or the Office of Inspector General Job Corps rating system;

(ii) is among the centers that have experienced the highest number of serious incidents of violence or criminal activity in the past 5 years;

(iii) is among the centers that require the largest funding for renovation or repair, as specified in the Department of Labor Job Corps Construction/Rehabilitation Funding Needs Survey, or for rehabilitation or repair, as reflected in the portion of the audit described in subsection (a)(5);

(iv) is among the centers for which the highest relative or absolute fiscal year 1996 expenditures were made, for any of the categories of expenditures described in paragraph (2), (3), or (4) of subsection (a), as reflected in the audit described in subsection (a);

(v) is among the centers with the least State and local support; or

(vi) is among the centers with the lowest rating on such additional criteria as the Governing Board may determine to be appropriate.

(B) COVERAGE OF STATES AND REGIONS.—Notwithstanding subparagraph (A), the Governing Board shall not recommend that the Secretary of Labor close the only Job Corps center in a State or a region of the United States.

(C) ALLOWANCE FOR NEW JOB CORPS CENTERS.—Notwithstanding any other provision of this section, if the planning or construction of a Job Corps center that received Federal funding for fiscal year 1994 or 1995 has not been completed by the date of enactment of this Act—

(i) the appropriate entity may complete the planning or construction and begin operation of the center; and

(ii) the Governing Board shall not evaluate the center under this title sooner than 3 years after the first date of operation of the center.

(3) REPORT.—Not later than June 30, 1997, the Governing Board shall submit a report to the Secretary of Labor, which shall contain a detailed statement of the findings and conclusions of the Governing Board resulting from the audit described in subsection (a) together with the recommendations described in paragraph (1).

(c) CLOSURE.—The Secretary of Labor shall, after reviewing the report submitted under subsection (b)(3), close 25 Job Corps centers by September 30, 1997.

SEC. 756. INTERIM OPERATING PLANS FOR JOB CORPS CENTERS.

Part B of title IV of the Job Training Partnership Act (29 U.S.C. 1691 et seq.) is amended by inserting after section 439 the following section:

"SEC. 439A. OPERATING PLAN.

"(a) SUBMISSION OF PLAN.—To be eligible to operate a Job Corps center and receive assistance under this part for fiscal year 1997, an entity shall prepare and submit to the Secretary and the Governor of the State in which the center is located, and obtain the approval of the Secretary for, an operating plan that shall include, at a minimum, information indicating—

"(1) in quantifiable terms, the extent to which the center will contribute to the achievement of the proposed State goals and State benchmarks identified in the interim plan for the State submitted under section 762 of the Workforce Development Act of 1995;

"(2) the extent to which workforce employment activities and workforce education activities delivered through the Job Corps center are directly linked to the workforce development needs of the industry sectors most important to the economic competitiveness of the State; and

"(3) an implementation strategy to ensure that all enrollees assigned to the Job Corps center will have access to services through the one-stop delivery of core services described in section 716(a)(2) by the State as identified in the interim plan.

"(b) SUBMISSION OF COMMENTS.—Not later than 30 days after receiving an operating plan described in subsection (a), the Governor of the State in which the center is located may submit comments on the plan to the Secretary.

"(c) APPROVAL.—The Secretary shall not approve an operating plan described in subsection (a) for a center if the Secretary determines that the activities proposed to be carried out through the center are not sufficiently integrated with the activities carried

out through the statewide system of the State in which the center is located.".

SEC. 757. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), this chapter shall take effect on July 1, 1998.

(b) INTERIM PROVISIONS.—Sections 754 and 755, and the amendment made by section 756, shall take effect on the date of enactment of this Act.

CHAPTER 2—OTHER WORKFORCE PREPARATION ACTIVITIES FOR AT-RISK YOUTH

SEC. 759. WORKFORCE PREPARATION ACTIVITIES FOR AT-RISK YOUTH.

(a) IN GENERAL.—For program year 1998 and each subsequent program year, the Governing Board shall make allotments under subsection (c) to States to assist the States in paying for the cost of carrying out workforce preparation activities for at-risk youth, as described in this section.

(b) STATE USE OF FUNDS.—

(1) CORE ACTIVITIES.—The State shall use a portion of the funds made available to the State through an allotment received under subsection (c) to establish and operate Job Corps centers as described in chapter 1, if a center located in the State received assistance under part B of title IV of the Job Training Partnership Act for fiscal year 1996 and was not closed in accordance with section 755.

(2) PERMISSIBLE ACTIVITIES.—The State may use a portion of the funds described in paragraph (1) to—

(A) make grants to eligible entities, as described in subsection (e), to assist the entities in carrying out innovative programs to assist out-of-school at-risk youth in participating in school-to-work activities;

(B) make grants to eligible entities, as described in subsection (e), to assist the entities in providing work-based learning as a component of school-to-work activities, including summer jobs linked to year-round school-to-work programs; and

(C) carry out other workforce development activities specifically for at-risk youth.

(c) ALLOTMENTS.—

(1) IN GENERAL.—The Governing Board shall allot to each State an amount equal to the total of—

(A) the amount made available to the State under paragraph (2); and

(B) the amounts made available to the State under subparagraphs (C), (D), and (E) of paragraph (3).

(2) ALLOTMENTS BASED ON FISCAL YEAR 1996 APPROPRIATIONS.—Using a portion of the funds appropriated under subsection (g) for a fiscal year, the Governing Board shall make available to each State the amount that Job Corps centers in the State expended for fiscal year 1996 under part B of title IV of the Job Training Partnership Act to carry out activities related to the direct operation of the centers, as determined under section 755(a)(2).

(3) ALLOTMENTS BASED ON POPULATIONS.—

(A) DEFINITIONS.—As used in this paragraph:

(i) INDIVIDUAL IN POVERTY.—The term "individual in poverty" means an individual who—

(I) is not less than age 18;

(II) is not more than age 64; and

(III) is a member of a family (of 1 or more members) with an income at or below the poverty line.

(ii) POVERTY LINE.—The term "poverty line" means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) applicable to a family of the size involved, using the most recent available data provided by the Bureau of the Census, prior to the program year for which the allotment is made, and applying the definition of poverty used by the Bureau of the Census in compiling the 1990 decennial census.

(B) TOTAL ALLOTMENTS.—The Governing Board shall use the remainder of the funds that are appropriated under subsection (g) for a fiscal year, and that are not made available under paragraph (2), to make amounts available under this paragraph.

(C) UNEMPLOYED INDIVIDUALS.—From funds equal to 33⅓ percent of such remainder, the Governing Board shall make available to each State an amount that bears the same relationship to such funds as the average number of unemployed individuals (as determined by the Secretary of Labor for the most recent 24-month period for which data are available, prior to the program year for which the allotment is made) in the State bears to the average number of unemployed individuals (as so determined) in the United States.

(D) INDIVIDUALS IN POVERTY.—From funds equal to 33⅓ percent of such remainder, the Governing Board shall make available to each State an amount that bears the same relationship to such funds as the total number of individuals in poverty in the State bears to the total number of individuals in poverty in the United States.

(E) AT-RISK YOUTH.—From funds equal to 33⅓ percent of such remainder, the Governing Board shall make available to each State an amount that bears the same relationship to such funds as the total number of at-risk youth in the State bears to the total number of at-risk youth in the United States.

(d) STATE PLAN.—

(1) INFORMATION.—To be eligible to receive an allotment under subsection (c), a State shall include, in the State plan to be submitted under section 714, information describing the allocation within the State of the funds made available through the allotment, and how the programs and activities described in subsection (b)(2) will be carried out to meet the State goals and reach the State benchmarks.

(2) LIMITATION.—The Governing Board may not require a State to include the information described in paragraph (1) in the State plan to be submitted under section 714 to be eligible to receive an allotment under section 712.

(e) APPLICATION.—To be eligible to receive a grant under subparagraph (A) or (B) of subsection (b)(2) from a State, an entity shall prepare and submit to the Governor of the State an application at such time, in such manner, and containing such information as the Governor may require.

(f) WITHIN STATE DISTRIBUTION.—Of the funds allotted to a State under subsection (c)(3) for workforce preparation activities for at-risk youth for a program year—

(1) 15 percent shall be reserved by the Governor to carry out such activities through the statewide system; and

(2) 85 percent shall be distributed to local entities to carry out such activities through the statewide system.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subtitle, $2,100,000,000 for each of fiscal years 1998 through 2001.

(h) EFFECTIVE DATE.—This chapter shall take effect on July 1, 1998.

Subtitle D—Transition Provisions

SEC. 761. WAIVERS.

(a) WAIVER AUTHORITY.—

(1) IN GENERAL.—Notwithstanding any other provision of Federal law, and except as provided in subsection (d), the Secretary may waive any requirement under any provision of law relating to a covered activity, or of any regulation issued under such a provision, for—

(A) a State that requests such a waiver and submits an application as described in subsection (b); or

(B) a local entity that requests such a waiver and complies with the requirements of subsection (c);

in order to assist the State or local entity in planning or developing a statewide system or workforce development activities to be carried out through the statewide system.

(2) TERM.—

(A) IN GENERAL.—Except as provided in subparagraph (B), each waiver approved pursuant to this section shall be for a period beginning on the date of the approval and ending on June 30, 1998.

(B) FAILURE TO SUBMIT INTERIM PLAN.—If a State receives a waiver under this section and fails to submit an interim plan under section 762 by June 30, 1997, the waiver shall be deemed to terminate on September 30, 1997. If a local entity receives a waiver under this section, and the State in which the local entity is located fails to submit an interim plan under section 762 by June 30, 1997, the waiver shall be deemed to terminate on September 30, 1997.

(b) STATE REQUEST FOR WAIVER.—

(1) IN GENERAL.—A State may submit to the Secretary a request for a waiver of 1 or more requirements referred to in subsection (a). The request may include a request for different waivers with respect to different areas within the State.

(2) APPLICATION.—To be eligible to receive a waiver described in subsection (a), a State shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including information—

(A) identifying the requirement to be waived and the goal that the State (or the local agency applying to the State under subsection (c)) intends to achieve through the waiver;

(B) identifying, and describing the actions that the State will take to remove, similar State requirements;

(C) describing the activities to which the waiver will apply, including information on how the activities may be continued, or related to activities carried out, under the statewide system of the State;

(D) describing the number and type of persons to be affected by such waiver; and

(E) providing evidence of support for the waiver request by the State agencies or officials with jurisdiction over the requirement to be waived.

(c) LOCAL ENTITY REQUEST FOR WAIVER.—

(1) IN GENERAL.—A local entity that seeks a waiver of such a requirement shall submit to the State a request for the waiver and an application containing sufficient information to enable the State to comply with the requirements of subsection (b)(2). The State shall determine whether to submit a request and an application for a waiver to the Secretary, as provided in subsection (b).

(2) TIME LIMIT.—

(A) IN GENERAL.—The State shall make a determination concerning whether to submit the request and application for a waiver as described in paragraph (1) not later than 30

days after the date on which the State receives the application from the local entity.

(B) DIRECT SUBMISSION.—

(i) IN GENERAL.—If the State does not make a determination to submit or does not submit the request and application within the 30-day time period specified in subparagraph (A), the local entity may submit the request and application to the Secretary.

(ii) REQUIREMENTS.—In submitting such a request, the local entity shall obtain the agreement of the State involved to comply with the requirements of this section that would otherwise apply to a State submitting a request for a waiver. In reviewing an application submitted by a local entity, the Secretary shall comply with the requirements of this section that would otherwise apply to the Secretary with respect to review of such an application submitted by a State.

(d) WAIVERS NOT AUTHORIZED.—The Secretary may not waive any requirement of any provision referred to in subsection (a), or of any regulation issued under such provision, relating to—

(1) the allocation of funds to States, local entities, or individuals;

(2) public health or safety, civil rights, occupational safety and health, environmental protection, displacement of employees, or fraud and abuse;

(3) the eligibility of an individual for participation in a covered activity, except in a case in which the State or local entity can demonstrate that the individuals who would have been eligible to participate in such activity without the waiver will participate in a similar covered activity; or

(4) a required supplementation of funds by the State or a prohibition against the State supplanting such funds.

(e) ACTIVITIES.—Subject to subsection (d), the Secretary may approve a request for a waiver described in subsection (a) that would enable a State or local entity to—

(1) use the assistance that would otherwise have been used to carry out 2 or more covered activities (if the State or local entity were not using the assistance as described in this section)—

(A) to address the high priority needs of unemployed persons and at-risk youth in the appropriate State or community for workforce employment activities or workforce education activities;

(B) to improve efficiencies in the delivery of the covered activities; or

(C) in the case of overlapping or duplicative activities—

(i) by combining the covered activities and funding the combined activities; or

(ii) by eliminating 1 of the covered activities and increasing the funding to the remaining covered activity; and

(2) use the assistance that would otherwise have been used for administrative expenses relating to a covered activity (if the State or local entity were not using the assistance as described in this section) to pay for the cost of developing an interim State plan described in section 762 or a State plan described in section 714.

(f) APPROVAL OR DISAPPROVAL.—The Secretary shall approve or disapprove any request submitted pursuant to subsection (b) or (c), not later than 45 days after the date of the submission and shall issue a decision that shall include the reasons for approving or disapproving the request.

(g) FAILURE TO ACT.—If the Secretary fails to approve or disapprove the request within the 45-day period described in subsection (f), the request shall be deemed to be approved on the day after such period ends. If the Secretary subsequently determines that the waiver relates to a matter described in subsection (d) and issues a decision that includes the reasons for the determination, the waiver shall be deemed to terminate on the date of issuance of the decision.

(h) DEFINITION.—As used in this section:

(1) LOCAL ENTITY.—The term "local entity" means—

(A) a local educational agency, with respect to any act by a local agency or organization relating to a covered activity that is a workforce education activity; and

(B) the local public or private agency or organization responsible for carrying out the covered activity at issue, with respect to any act by a local agency or organization relating to any other covered activity.

(2) SECRETARY.—The term "Secretary" means—

(A) the Secretary of Labor, with respect to any act relating to a covered activity carried out by the Secretary of Labor;

(B) the Secretary of Education, with respect to any act relating to a covered activity carried out by the Secretary of Education; and

(C) the Secretary of Health and Human Services, with respect to any act relating to a covered activity carried out by the Secretary of Health and Human Services.

(3) STATE.—The term "State" means—

(A) a State educational agency, with respect to any act by a State entity relating to a covered activity that is a workforce education activity; and

(B) the Governor, with respect to any act by a State entity relating to any other covered activity.

(i) CONFORMING AMENDMENTS.—

(1) Section 501 of the School-to-Work Opportunities Act of 1994 (20 U.S.C. 6211) is amended—

(A) in subsection (a), by striking "sections 502 and 503" and inserting "section 502";

(B) in subsection (b)(2)(B)(ii)—

(i) by striking "section 502(a)(1)(C) or 503(a)(1)(C), as appropriate," and inserting "section 502(a)(1)(C)"; and

(ii) by striking "section 502 or 503, as appropriate," and inserting "section 502";

(C) in subsection (c), by striking "section 502 or 503" and inserting "section 502"; and

(D) by striking "Secretaries" each place the term appears and inserting "Secretary of Education".

(2) Section 502(b) of such Act (20 U.S.C. 6212(b)) is amended—

(A) in paragraph (4), by striking the semicolon and inserting "; and";

(B) in paragraph (5), by striking "; and" and inserting a period; and

(C) by striking paragraph (6).

(3) Section 503 of such Act (20 U.S.C. 6213) is repealed.

(4) Section 504 of such Act (20 U.S.C. 6214) is amended—

(A) in subsection (a)(2)(B), by striking clauses (i) and (ii) and inserting the following clauses:

"(i) the provisions of law listed in paragraphs (2) through (5) of section 502(b);

"(ii) the Job Training Partnership Act (29 U.S.C. 1501 et seq.); and

"(iii) the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.).."; and

(B) in subsection (b), by striking "paragraphs (1) through (3), and paragraphs (5) and (6), of section 503(b)" and inserting "paragraphs (2) through (4) and paragraphs (6) and (7) of section 505(b)".

(5) Section 505(b) of such Act (20 U.S.C. 6215(b)) is amended to read as follows:

"(b) USE OF FUNDS.—A State may use, under the requirements of this Act, Federal funds that are made available to the State and combined under subsection (a) to carry out school-to-work activities, except that the provisions relating to—

"(1) the matters specified in section 502(c);

"(2) basic purposes or goals;

"(3) maintenance of effort;

"(4) distribution of funds;

"(5) eligibility of an individual for participation;

"(6) public health or safety, labor standards, civil rights, occupational safety and health, or environmental protection; or

"(7) prohibitions or restrictions relating to the construction of buildings or facilities;

that relate to the program through which the funds described in subsection (a)(2)(B) were made available, shall remain in effect with respect to the use of such funds.".

SEC. 762. INTERIM STATE PLANS.

(a) IN GENERAL.—For a State or local entity in a State to use a waiver received under section 761 through June 30, 1998, and for a State to be eligible to submit a State plan described in section 714 for program year 1998, the Governor of the State shall submit an interim State plan to the Governing Board. The Governor shall submit the plan not later than June 30, 1997.

(b) REQUIREMENTS.—The interim State plan shall comply with the requirements applicable to State plans described in section 714.

(c) PROGRAM YEAR.—In submitting the interim State plan, the Governor shall indicate whether the plan is submitted—

(1) for review and approval for program year 1997; or

(2) solely for review.

(d) REVIEW.—In reviewing an interim State plan, the Governing Board may—

(1) in the case of a plan submitted for review and approval for program year 1997—

(A) approve the plan and permit the State to use a waiver as described in section 761 to carry out the plan; or

(B) disapprove the plan, and provide to the State reasons for the disapproval and technical assistance for developing an approvable plan to be submitted under section 714 for program year 1998; and

(2) in the case of a plan submitted solely for review, review the plan and provide to the State technical assistance for developing an approvable plan to be submitted under section 714 for program year 1998.

(e) EFFECT OF DISAPPROVAL.—Disapproval of an interim plan shall not affect the ability of a State to use a waiver as described in section 761 through June 30, 1998.

SEC. 763. APPLICATIONS AND PLANS UNDER COVERED ACTS.

Notwithstanding any other provision of law, no State or local entity shall be required to comply with any provision of a covered Act that would otherwise require the entity to submit an application or a plan to a Federal agency during fiscal year 1996 or 1997 for funding of a covered activity. In determining whether to provide funding to the State or local entity for the covered activity, the Secretary of Education, the Secretary of Labor, or the Secretary of Health and Human Services, as appropriate, shall consider the last application or plan, as appropriate, submitted by the entity for funding of the covered activity.

SEC. 764. INTERIM ADMINISTRATION OF SCHOOL-TO-WORK PROGRAMS.

(a) IN GENERAL.—Any provision of the School-to-Work Opportunities Act of 1994 (20 U.S.C. 6101 et seq.) that grants authority to the Secretary of Labor or the Secretary of

Education shall be considered to grant the authority to the Governing Board.

(b) EFFECTIVE DATE.—Subsection (a) shall take effect on October 1, 1996.

SEC. 765. INTERIM AUTHORIZATIONS OF APPROPRIATIONS.

(a) OLDER AMERICAN COMMUNITY SERVICE EMPLOYMENT ACT.—Section 508(a)(1) of the Older American Community Service Employment Act (42 U.S.C. 3056f(a)(1)) is amended by striking "for fiscal years 1993, 1994, and 1995" and inserting "for each of fiscal years 1993 through 1998".

(b) CARL D. PERKINS VOCATIONAL AND APPLIED TECHNOLOGY EDUCATION ACT.—

(1) IN GENERAL.—Section 3(a) of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2302(a)) is amended by striking "for each of the fiscal years" and all that follows through "1995" and inserting "for each of fiscal years 1992 through 1998".

(2) RESEARCH.—Section 404(d) of such Act (20 U.S.C. 2404(d)) is amended by striking "for each of the fiscal years" and all that follows through "1995" and inserting "for each of fiscal years 1992 through 1998".

(c) ADULT EDUCATION ACT.—

(1) IN GENERAL.—Section 313(a) of the Adult Education Act (20 U.S.C. 1201b(a)) is amended by striking "for each of the fiscal years" and all that follows through "1995" and inserting "for each of fiscal years 1993 through 1998".

(2) STATE LITERACY RESOURCE CENTERS.—Section 356(k) of such Act (20 U.S.C. 1208aa(k)) is amended by striking "for each of the fiscal years 1994 and 1995" and inserting "for each of fiscal years 1994 through 1998".

(3) BUSINESS, INDUSTRY, LABOR, AND EDUCATION PARTNERSHIPS FOR WORKPLACE LITERACY.—Section 371(e)(1) of such Act (20 U.S.C. 1211(e)(1)) is amended by striking "for each of the fiscal years" and all that follows through "1995" and inserting "for each of fiscal years 1993 through 1998".

(4) NATIONAL INSTITUTE FOR LITERACY.—Section 384(n)(1) of such Act (20 U.S.C. 1213c(n)(1)) is amended by striking "for each of the fiscal years" and all that follows through "1996" and inserting "for each of fiscal years 1992 through 1998".

Subtitle E—National Activities

SEC. 771. FEDERAL PARTNERSHIP.

(a) ESTABLISHMENT.—There is established a Workforce Development Partnership that shall administer the activities established under this title. The Federal Partnership shall be a Government corporation, as defined in section 103 of title 5, United States Code. The principal office of the Federal Partnership shall be located in the District of Columbia.

(b) GOVERNING BOARD.—

(1) COMPOSITION.—There shall be in the Federal Partnership a Governing Board that shall be composed of 13 individuals, including—

(A) 7 individuals who are representative of business and industry in the United States, appointed by the President by and with the advice and consent of the Senate;

(B) 2 individuals who are representative of labor and workers in the United States, appointed by the President by and with the advice and consent of the Senate;

(C) 2 individuals who are representative of education providers, 1 of whom is a State or local adult education provider and 1 of whom is a State or local vocational education provider, appointed by the President by and with the advice and consent of the Senate; and

(D) 2 Governors, representing different political parties, appointed by the President by and with the advice and consent of the Senate.

(2) TERMS.—Each member of the Governing Board shall serve for a term of 3 years, except that, as designated by the President—

(A) 5 of the members first appointed to the Governing Board shall serve for a term of 2 years;

(B) 4 of the members first appointed to the Governing Board shall serve for a term of 3 years; and

(C) 4 of the members first appointed to the Governing Board shall serve for a term of 4 years.

(3) VACANCIES.—Any vacancy in the Governing Board shall not affect the powers of the Governing Board, but shall be filled in the same manner as the original appointment. Any member appointed to fill such a vacancy shall serve for the remainder of the term for which the predecessor of such member was appointed.

(4) DUTIES AND POWERS.—

(A) POWERS.—The powers of the Federal Partnership shall be vested in the Governing Board.

(B) DUTIES.—The Governing Board shall—

(i) oversee the development and implementation of the nationwide integrated labor market information system described in section 773, and the job placement accountability system described in section 731(d);

(ii) establish model benchmarks for each of the benchmarks referred to in paragraph (1), (2), or (3) of section 731(c), at achievable levels based on existing (as of the date of the establishment of the benchmarks) workforce development efforts in the States;

(iii) negotiate State benchmarks with States in accordance with section 731(c)(5);

(iv) review and approve plans under section 714, and make allotments under section 712;

(v) receive and review reports described in section 731(a);

(vi) prepare and submit to the appropriate committees of Congress an annual report on the absolute and relative performance of States toward reaching the State benchmarks;

(vii) award annual incentive grants under section 732(a);

(viii) initiate sanctions described in section 732(b);

(ix) disseminate information to States on the best practices used by States to establish and carry out activities through statewide systems, including model programs to provide structured work and learning experiences for welfare recipients;

(x) perform the duties specified for the Governing Board in subtitles C and D;

(xi) review all federally funded programs providing workforce development activities, other than programs carried out under this title, and submit recommendations to Congress on how the federally funded programs could be integrated into the statewide systems of the States, including recommendations on the development of common terminology for activities and services provided through the programs;

(xii) review and approve the transition workplans developed by the Secretary of Labor and the Secretary of Education in accordance with sections 775 and 776; and

(xiii) oversee all activities of the Federal Partnership.

(C) FINAL DETERMINATIONS.—Notwithstanding any other provision of this title, the Secretary of Labor and the Secretary of Education shall jointly make the final determinations with respect to the approval of State plans, and the disbursement of funds, under this title.

(5) CHAIRPERSON.—The position of Chairperson of the Governing Board shall rotate annually among the appointed members described in paragraph (1)(A).

(6) MEETINGS.—The Governing Board shall meet at the call of the Chairperson but not less often than 4 times during each calendar year. Five members of the Governing Board shall constitute a quorum. All decisions of the Governing Board with respect to the exercise of the duties and powers of the Governing Board shall be made by a majority vote of the members of the Governing Board.

(7) COMPENSATION AND TRAVEL EXPENSES.—

(A) COMPENSATION.—Each member of the Governing Board who is not an officer or employee of the Federal Government shall be compensated at a rate to be fixed by the President but not to exceed the daily equivalent of the maximum rate authorized for a position above GS-15 of the General Schedule under section 5108 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Governing Board. All members of the Governing Board who are officers or employees of the United States shall serve without compensation in addition to compensation received for their services as officers or employees of the United States.

(B) EXPENSES.—While away from their homes or regular places of business on the business of the Governing Board, members of such Governing Board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, for persons employed intermittently in the Government service.

(8) DATE OF APPOINTMENT.—The Governing Board shall be appointed not later than September 30, 1996.

(c) DIRECTOR.—

(1) IN GENERAL.—There shall be in the Federal Partnership a Director, who shall be appointed by the President, by and with the advice and consent of the Senate.

(2) COMPENSATION.—The Director shall be compensated at the rate provided for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(3) DUTIES.—The Director shall—

(A) make recommendations to the Governing Board regarding the activities described in subsection (b)(4)(B); and

(B) carry out the general administration and enforcement of this title.

(4) DATE OF APPOINTMENT.—The Director shall be appointed not later than September 30, 1996.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Federal Partnership without reimbursement, and such detail shall be without interruption or loss of civil service or privilege. The Secretary of Education, the Secretary of Labor, and the Secretary of Health and Human Services shall detail a sufficient number of employees to the Federal Partnership for the period beginning October 1, 1996 and ending June 30, 1998 to enable the Federal Partnership to carry out the functions of the Federal Partnership during such period.

(e) INSPECTOR GENERAL.—There shall be an Office of the Inspector General in the Federal Partnership. The Office shall be headed by an Inspector General appointed in accordance with the Inspector General Act of 1978 (5 U.S.C. App.). The Inspector General shall carry out the duties prescribed in such Act.

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for

fiscal years 1996 and 1997 $500,000 to the Governing Board for the administration of this title.

(g) CONFORMING AMENDMENT.—Section 11 of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(1) in paragraph (1), by inserting "the Governing Board of the Workforce Development Partnership;" after "the Attorney General;"; and

(2) in paragraph (2), by inserting "the Workforce Development Partnership;" after "Treasury;".

SEC. 772. NATIONAL ASSESSMENT OF VOCATIONAL EDUCATION PROGRAMS.

(a) IN GENERAL.—The Assistant Secretary for Educational Research and Improvement (referred to in this section as the "Assistant Secretary") shall conduct a national assessment of vocational education programs assisted under this title, through studies and analyses conducted independently through competitive awards.

(b) INDEPENDENT ADVISORY PANEL.—The Assistant Secretary shall appoint an independent advisory panel, consisting of vocational education administrators, educators, researchers, and representatives of business, industry, labor, and other relevant groups, to advise the Assistant Secretary on the implementation of such assessment, including the issues to be addressed and the methodology of the studies involved, and the findings and recommendations resulting from the assessment. The panel, in the discretion of the panel, may submit to Congress an independent analysis of the findings and recommendations resulting from the assessment. The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the panel established under this subsection.

(c) CONTENTS.—The assessment required under subsection (a) shall include descriptions and evaluations of—

(1) the effect of this title on State and tribal administration of vocational education programs and on local vocational education practices, including the capacity of State, tribal, and local vocational education systems to address the purposes of this title;

(2) expenditures at the Federal, State, tribal, and local levels to address program improvement in vocational education, including the impact of Federal allocation requirements (such as within-State distribution formulas) on the delivery of services;

(3) preparation and qualifications of teachers of vocational and academic curricula in vocational education programs, as well as shortages of such teachers;

(4) participation in vocational education programs;

(5) academic and employment outcomes of vocational education, including analyses of—

(A) the effect of educational reform on vocational education;

(B) the extent and success of integration of academic and vocational curricula;

(C) the success of the school-to-work transition; and

(D) the degree to which vocational training is relevant to subsequent employment;

(6) employer involvement in, and satisfaction with, vocational education programs;

(7) the effect of benchmarks, performance measures, and other measures of accountability on the delivery of vocational education services; and

(8) the degree to which minority students are involved in vocational student organizations.

(d) CONSULTATION.—

(1) IN GENERAL.—The Secretary of Education shall consult with the Committee on Economic and Educational Opportunities of the House of Representatives and the Committee on Labor and Human Resources of the Senate in the design and implementation of the assessment required under subsection (a).

(2) REPORTS.—The Secretary of Education shall submit to Congress—

(A) an interim report regarding the assessment on or before January 1, 2000; and

(B) a final report, summarizing all studies and analyses that relate to the assessment and that are completed after the assessment, on or before July 1, 2000.

(3) PROHIBITION.—Notwithstanding any other provision of law or regulation, the reports required by this subsection shall not be subject to any review outside of the Office of Educational Research and Improvement before their transmittal to Congress, but the President, the Secretary, and the independent advisory panel established under subsection (b) may make such additional recommendations to Congress with respect to the assessment as the President, Secretary, or panel determine to be appropriate.

(e) EFFECTIVE DATE.—This section shall take effect on July 1, 1998.

SEC. 773. LABOR MARKET INFORMATION.

(a) FEDERAL RESPONSIBILITIES.—The Governing Board, in accordance with the provisions of this section, shall oversee the development, maintenance, and continuous improvement of a nationwide integrated labor market information system that shall include—

(1) statistical data from cooperative statistical survey and projection programs and data from administrative reporting systems, that, taken together, shall enumerate, estimate, and project the supply and demand for labor at the substate, State, and national levels in a timely manner, including data on—

(A) the demography, socioeconomic characteristics, and current employment status of the substate, State, and national populations (as of the date of the collection of the data), including self-employed, part-time, and seasonal workers;

(B) job vacancies, education and training requirements, skills, wages, benefits, working conditions, and industrial distribution, of occupations, as well as current and projected employment opportunities and trends by industry and occupation;

(C) the educational attainment, training, skills, skill levels, and occupations of the populations;

(D) information maintained in a longitudinal manner on the quarterly earnings, establishment and industry affiliation, and geographic location of employment for all individuals for whom the information is collected by the States; and

(E) the incidence, industrial and geographical location, and number of workers displaced by permanent layoffs and plant closings;

(2) State and substate area employment and consumer information (which shall be current, comprehensive, automated, accessible, easy to understand, and in a form useful for facilitating immediate employment, entry into education and training programs, and career exploration) on—

(A) job openings, locations, hiring requirements, and application procedures, including profiles of industries in the local labor market that describe the nature of work performed, employment requirements, and patterns in wages and benefits;

(B) jobseekers, including the education, training, and employment experience of the jobseekers; and

(C) the cost and effectiveness of providers of workforce employment activities, workforce education activities, and flexible workforce activities, including the percentage of program completion, acquisition of skills to meet industry-recognized skill standards, continued education, job placement, and earnings, by participants, and other information that may be useful in facilitating informed choices among providers by participants;

(3) technical standards for labor market information that will—

(A) ensure compatibility of the information and the ability to aggregate the information from substate areas to State and national levels;

(B) support standardization and aggregation of the data from administrative reporting systems;

(C) include—

(i) classification and coding systems for industries, occupations, skills, programs, and courses;

(ii) nationally standardized definitions of labor market terms, including terms related to State benchmarks established pursuant to section 731(c);

(iii) quality control mechanisms for the collection and analysis of labor market information; and

(iv) common schedules for collection and dissemination of labor market information; and

(D) eliminate gaps and duplication in statistical undertakings, with a high priority given to the systemization of wage surveys;

(4) an analysis of data and information described in paragraphs (1) and (2) for uses such as—

(A) national, State, and substate area economic policymaking;

(B) planning and evaluation of workforce development activities;

(C) the implementation of Federal policies, including the allocation of Federal funds to States and substate areas; and

(D) research on labor market dynamics;

(5) dissemination mechanisms for data and analysis, including mechanisms that may be standardized among the States; and

(6) programs of technical assistance for States and substate areas in the development, maintenance, utilization, and continuous improvement of the data, information, standards, analysis, and dissemination mechanisms, described in paragraphs (1) through (5).

(b) JOINT FEDERAL-STATE RESPONSIBILITIES.—

(1) IN GENERAL.—The nationwide integrated labor market information system shall be planned, administered, overseen, and evaluated through a cooperative governance structure involving the Federal Government and the States receiving financial assistance under this title.

(2) ANNUAL PLAN.—The Governing Board shall, with the assistance of the Bureau of Labor Statistics and other Federal agencies, where appropriate, prepare an annual plan that shall be the mechanism for achieving the cooperative Federal-State governance structure for the nationwide integrated labor market information system. The plan shall—

(A) establish goals for the development and improvement of a nationwide integrated labor market information system based on information needs for achieving economic growth and productivity, accountability, fund allocation equity, and an understanding of labor market characteristics and dynamics;

(B) describe the elements of the system, including—

(i) standards, definitions, formats, collection methodologies, and other necessary system elements, for use in collecting the data and information described in paragraphs (1) and (2) of subsection (a); and

(ii) assurances that—

(I) data will be sufficiently timely and detailed for uses including the uses described in subsection (a)(4);

(II) administrative records will be standardized to facilitate the aggregation of data from substate areas to State and national levels and to support the creation of new statistical series from program records; and

(III) paperwork and reporting requirements on employers and individuals will be reduced;

(C) recommend needed improvements in administrative reporting systems to be used for the nationwide integrated labor market information system;

(D) describe the current spending on integrated labor market information activities from all sources, assess the adequacy of the funds spent, and identify the specific budget needs of the Federal Government and States with respect to implementing and improving the nationwide integrated labor market information system;

(E) develop a budget for the nationwide integrated labor market information system that—

(i) accounts for all funds described in subparagraph (D) and any new funds made available pursuant to this title; and

(ii) describes the relative allotments to be made for—

(I) operating the cooperative statistical programs pursuant to subsection (a)(1);

(II) developing and providing employment and consumer information pursuant to subsection (a)(2);

(III) ensuring that technical standards are met pursuant to subsection (a)(3); and

(IV) providing the analysis, dissemination mechanisms, and technical assistance under paragraphs (4), (5), and (6) of subsection (a), and matching data;

(F) describe the involvement of States in developing the plan by holding formal consultations conducted in cooperation with representatives of the Governors of each State or the State workforce development board described in section 715, where appropriate, pursuant to a process established by the Governing Board; and

(G) provide for technical assistance to the States for the development of statewide comprehensive labor market information systems described in subsection (c), including assistance with the development of easy-to-use software and hardware, or uniform information displays.

For purposes of applying Office of Management and Budget Circular A-11 to determine persons eligible to participate in deliberations relating to budget issues for the development of the plan, the representatives of the Governors of each State and the State workforce development board described in subparagraph (F) shall be considered to be employees of the Department of Labor.

(c) STATE RESPONSIBILITIES.—

(1) DESIGNATION OF STATE AGENCY.—In order to receive Federal financial assistance under this title, the Governor of a State shall—

(A) establish an interagency process for the oversight of a statewide comprehensive labor market information system and for the participation of the State in the cooperative Federal-State governance structure for the nationwide integrated labor market information system; and

(B) designate a single State agency or entity within the State to be responsible for the management of the statewide comprehensive labor market information system.

(2) DUTIES.—In order to receive Federal financial assistance under this title, the State agency or entity within the State designated under paragraph (1)(B) shall—

(A) consult with employers and local workforce development boards described in section 728(b), where appropriate, about the labor market relevance of the data to be collected and displayed through the statewide comprehensive labor market information system;

(B) develop, maintain, and continuously improve the statewide comprehensive labor market information system, which shall—

(i) include all of the elements described in paragraphs (1), (2), (3), (4), (5), and (6) of subsection (a); and

(ii) provide the consumer information described in clauses (v) and (vi) of section 716(a)(2)(B) in a manner that shall be responsive to the needs of business, industry, workers, and jobseekers;

(C) ensure the performance of contract and grant responsibilities for data collection, analysis, and dissemination, through the statewide comprehensive labor market information system;

(D) conduct such other data collection, analysis, and dissemination activities to ensure that State and substate area labor market information is comprehensive;

(E) actively seek the participation of other State and local agencies, with particular attention to State education, economic development, human services, and welfare agencies, in data collection, analysis, and dissemination activities in order to ensure complementarity and compatibility among data;

(F) participate in the development of the national annual plan described in subsection (b)(2); and

(G) ensure that the matches required for the job placement accountability system by section 731(d)(2)(A) are made for the State and for other States.

(3) RULE OF CONSTRUCTION.—Nothing in this title shall be construed as limiting the ability of a State agency to conduct additional data collection, analysis, and dissemination activities with State funds or with Federal funds from sources other than this title.

(d) EFFECTIVE DATE.—This section shall take effect on July 1, 1998.

SEC. 774. NATIONAL CENTER FOR RESEARCH IN EDUCATION AND WORKFORCE DEVELOPMENT.

(a) GRANTS AUTHORIZED.—From amounts made available under section 734(b)(5), the Governing Board is authorized to award a grant, on a competitive basis, to an institution of higher education, public or private nonprofit organization or agency, or a consortium of such institutions, organizations, or agencies, to enable such institution, organization, agency, or consortium to establish a national center to carry out the activities described in subsection (b).

(b) AUTHORIZED ACTIVITIES.—Grant funds made available under this section shall be used by the national center assisted under subsection (a)—

(1) to increase the effectiveness and improve the implementation of workforce development programs, including conducting research and development and providing technical assistance with respect to—

(A) combining academic and vocational education;

(B) connecting classroom instruction with work-based learning;

(C) creating a continuum of educational programs that provide multiple exit points for employment, which may include changes or development of instructional materials or curriculum;

(D) establishing high quality support services for all students to ensure access to workforce development programs, educational success, and job placement assistance;

(E) developing new models for remediation of basic academic skills, which models shall incorporate appropriate instructional methods, rather than using rote and didactic methods;

(F) identifying ways to establish links among educational and job training programs at the State and local levels;

(G) developing new models for career guidance, career information, and counseling services;

(H) identifying economic and labor market changes that will affect workforce needs;

(I) conducting preparation of teachers and professionals who work with programs funded under this title; and

(J) obtaining information on practices in other countries that may be adapted for use in the United States;

(2) to provide assistance to States and local recipients of assistance under this title in developing and using systems of performance measures and standards for improvement of programs and services; and

(3) to maintain a clearinghouse that will provide data and information to Federal, State, and local organizations and agencies about the condition of statewide systems and programs funded under this title, which data and information shall be disseminated in a form that is useful to practitioners and policymakers.

(c) OTHER ACTIVITIES.—The Governing Board may request that the national center assisted under subsection (a) conduct activities not described in subsection (b), or study topics not described in subsection (b), as the Governing Board determines to be necessary to carry out this title.

(d) IDENTIFICATION OF CURRENT NEEDS.—The national center assisted under subsection (a) shall identify current needs (as of the date of the identification) for research and technical assistance through a variety of sources including a panel of Federal, State, and local level practitioners.

(e) SUMMARY REPORT.—The national center assisted under subsection (a) shall annually prepare and submit to the Governing Board and Congress a report summarizing the research findings obtained, and the results of development and technical assistance activities carried out, under this section.

(f) DEFINITION.—As used in this section, the term "institution of higher education" has the meaning given the term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

(g) EFFECTIVE DATE.—This section shall take effect on July 1, 1998.

SEC. 775. TRANSFERS TO FEDERAL PARTNERSHIP.

(a) DEFINITIONS.—For purposes of this section, unless otherwise provided or indicated by the context—

(1) the term "Federal agency" has the meaning given to the term "agency" by section 551(1) of title 5, United States Code;

(2) the term "function" means any duty, obligation, power, authority, responsibility, right, privilege, activity, or program; and

(3) the term "office" includes any office, administration, agency, institute, unit, organizational entity, or component thereof.

(b) TRANSFER OF FUNCTIONS.—

(1) IN GENERAL.—There are transferred to the Federal Partnership, in accordance with subsection (c), all functions that the Secretary of Labor or the Secretary of Education exercised before the effective date of this section (including all related functions of any officer or employee of the Department of Labor or the Department of Education) that relate to a covered activity and that are minimally necessary to carry out the functions of the Federal Partnership. The authority of a transferred employee to carry out a function that relates to a covered activity shall terminate on July 1, 1998.

(2) OFFICE OF INSPECTOR GENERAL.—There are transferred to the Federal Partnership, in accordance with subsection (c), all functions that the Secretary of Labor or the Secretary of Education, acting through the Office of Inspector General of the Department of Labor or of the Department of Education, exercised before the effective date of this section (including all related functions of any officer or employee of the Department of Labor or the Department of Education) that relate to the auditing or investigation of a covered activity and that are minimally necessary to carry out the functions of the Federal Partnership. The authority of a transferred employee to carry out a function that relates to the auditing or investigation of a covered activity shall terminate on July 1, 1998.

(c) DETERMINATIONS OF FUNCTIONS BY THE GOVERNING BOARD.—

(1) TRANSITION WORKPLAN.—

(A) IN GENERAL.—Not later than the date of appointment of the Governing Board, the Secretary of Labor and the Secretary of Education shall prepare and submit to the Governing Board a proposed workplan that specifies the steps that the Secretaries will take, during the period ending on July 1, 1998, to carry out the transfers described in subsection (b).

(B) CONTENTS.—The proposed workplan shall include, at a minimum—

(i) an analysis of the functions that officers and employees of the Department of Labor and the Department of Education carry out (as of the date of the submission of the workplan) that relate to a covered activity or to the auditing or investigation of a covered activity;

(ii) information on the levels of personnel and funding used to carry out the functions (as of such date);

(iii) information on the proposed organizational structure for the Federal Partnership;

(iv) a determination of the functions described in clause (i) that are minimally necessary to carry out the functions of the Federal Partnership; and

(v) information on the levels of personnel and funding that are minimally necessary to carry out the functions of the Federal Partnership.

(2) REVIEW.—Not later than 30 days after the date of submission of the workplan, the Governing Board shall—

(A) review the workplan;

(B) approve the workplan or prepare a revised workplan that contains the analysis and information described in paragraph (1)(B), including a determination of the functions described in paragraph (1)(B)(iv), which shall be transferred under subsection (b); and

(C) submit the approved or revised workplan to the appropriate committees of Congress.

(d) PERSONNEL PROVISIONS.—

(1) APPOINTMENTS.—The Director may appoint and fix the compensation of such officers and employees, including investigators, attorneys, and administrative law judges, as may be necessary to carry out the functions of the Federal Partnership. Except as otherwise provided by law, such officers and employees shall be appointed in accordance with the civil service laws and their compensation fixed in accordance with title 5, United States Code.

(2) EXPERTS AND CONSULTANTS.—The Director may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code, and compensate such experts and consultants for each day (including travel time) at rates not in excess of the rate of pay for level IV of the Executive Schedule under section 5315 of such title. The Director may pay experts and consultants who are serving away from their homes or regular place of business travel expenses and per diem in lieu of subsistence at rates authorized by sections 5702 and 5703 of such title for persons in Government service employed intermittently.

(e) DELEGATION AND ASSIGNMENT.—Except where otherwise expressly prohibited by law or otherwise provided by this section, the Governing Board may delegate any function transferred or granted to such Federal Partnership after the effective date of this section to such officers and employees of the Federal Partnership as the Governing Board may designate, and may authorize successive redelegations of such functions as may be necessary or appropriate. No delegation of functions by the Governing Board under this subsection or under any other provision of this section shall relieve such Governing Board of responsibility for the administration of such functions.

(f) REORGANIZATION.—The Governing Board may allocate or reallocate any function transferred or granted to such Federal Partnership after the effective date of this section among the officers of the Federal Partnership, and establish, consolidate, alter, or discontinue such organizational entities in the Federal Partnership as may be necessary or appropriate.

(g) RULES.—The Governing Board is authorized to prescribe, in accordance with the provisions of chapters 5 and 6 of title 5, United States Code, such rules and regulations as the Governing Board determines to be necessary or appropriate to administer and manage the functions of the Federal Partnership.

(h) TRANSFER AND ALLOCATIONS OF APPROPRIATIONS AND PERSONNEL.—

(1) IN GENERAL.—Except as otherwise provided in this section, the personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, used, held, arising from, available to, or to be made available in connection with the functions transferred by this section, subject to section 1531 of title 31, United States Code, shall be transferred to the Federal Partnership. Unexpended funds transferred pursuant to this subsection shall be used only to carry out the functions of the Federal Partnership.

(2) EXISTING FACILITIES AND OTHER FEDERAL RESOURCES.—Pursuant to paragraph (1), the Secretary of Labor and the Secretary of Education shall supply such office facilities, office supplies, support services, and related expenses as may be minimally necessary to carry out the functions of the Governing Board. None of the funds made available under this title may be used for the construction of office facilities for the Federal Partnership.

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

(j) EFFECT ON PERSONNEL.—

(1) TERMINATION OF CERTAIN POSITIONS.—Positions whose incumbents are appointed by the President, by and with the advice and consent of the Senate, the functions of which are transferred by this section, shall terminate on the effective date of this section.

(2) ACTIONS.—

(A) IN GENERAL.—The Secretary of Labor and the Secretary of Education shall take such actions as may be necessary, including reduction in force actions, consistent with sections 3502 and 3595 of title 5, United States Code, to ensure that the positions of personnel that relate to a covered activity and are not transferred under subsection (b)(1) are separated from service.

(B) SCOPE.—The Secretary of Labor and the Secretary of Education shall take the actions described in subparagraph (A) with respect to not less than ⅓ of the positions of personnel that relate to a covered activity.

(C) DEFINITION.—As used in this paragraph, the term "positions of personnel that relate to a covered activity" shall not include any position in an Office of Inspector General that relates to the auditing or investigation of a covered activity.

(k) SAVINGS PROVISIONS.—

(1) SUITS NOT AFFECTED.—The provisions of this section shall not affect suits commenced before the effective date of this section, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this section had not been enacted.

(2) NONABATEMENT OF ACTIONS.—No suit, action, or other proceeding commenced by or against the Department of Labor or the Department of Education, or by or against any individual in the official capacity of such individual as an officer of the Department of Labor or the Department of Education, shall abate by reason of the enactment of this section.

(l) TRANSITION.—The Governing Board may utilize—

(1) the services of officers, employees, and other personnel of the Department of Labor or the Department of Education with respect to functions transferred to the Federal Partnership by this section; and

(2) funds appropriated to such functions;

for such period of time as may reasonably be needed to facilitate the orderly implementation of this section.

(m) REFERENCES.—A reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or relating to—

(1) the Secretary of Labor or the Secretary of Education with regard to functions transferred under subsection (b), shall be deemed to refer to the Governing Board; and

(2) the Department of Labor or the Department of Education with regard to functions transferred under subsection (b), shall be deemed to refer to the Federal Partnership.

(n) ADDITIONAL CONFORMING AMENDMENTS.—

(1) RECOMMENDED LEGISLATION.—After consultation with the appropriate committees of Congress and the Director of the Office of Management and Budget, the Governing Board shall prepare and submit to Congress recommended legislation containing technical and conforming amendments to reflect the changes made by this section.

(2) SUBMISSION TO CONGRESS.—Not later than March 31, 1997, the Governing Board shall submit the recommended legislation referred to in paragraph (1).

(o) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), this section shall take effect on June 30, 1998.

(2) REGULATIONS AND CONFORMING AMENDMENTS.—Subsections (g) and (n) shall take effect on September 30, 1996.

(3) WORKPLAN.—Subsection (c) shall take effect on the date of enactment of this Act.

SEC. 776. TRANSFERS TO OTHER FEDERAL AGENCIES AND OFFICES.

(a) TRANSFER.—There are transferred to the appropriate receiving agency, in accordance with subsection (b), all functions that the Secretary of Labor, acting through the Employment and Training Administration, or the Secretary of Education, acting through the Office of Vocational and Adult Education, exercised before the effective date of this section (including all related functions of any officer or employee of the Employment and Training Administration or the Office of Vocational and Adult Education) that do not relate to a covered activity.

(b) DETERMINATIONS OF FUNCTIONS AND APPROPRIATE RECEIVING AGENCIES.—

(1) TRANSITION WORKPLAN.—

(A) IN GENERAL.—Not later than 90 days after the date of appointment of the Governing Board, the Secretary of Labor and the Secretary of Education shall prepare and submit to the Governing Board a proposed workplan that specifies the steps that the Secretaries will take, during the period ending on July 1, 1998, to carry out the transfer described in subsection (a).

(B) CONTENTS.—The proposed workplan shall include, at a minimum—

(i) a determination of the functions that officers and employees of the Employment and Training Administration and the Office of Vocational and Adult Education carry out (as of the date of the submission of the workplan) that do not relate to a covered activity; and

(ii) a determination of the appropriate receiving agencies for the functions, based on factors including increased efficiency and elimination of duplication of functions.

(2) REVIEW.—Not later than 30 days after the date of submission of the workplan, the Governing Board shall—

(A) review the workplan;

(B) approve the workplan or prepare a revised workplan that contains—

(i) a determination of the functions described in paragraph (1)(B)(i), which shall be transferred under subsection (a); and

(ii) a determination of the appropriate receiving agencies described in paragraph (1)(B)(ii), based on the factors described in such paragraph, to which the functions shall be transferred under subsection (a); and

(C) submit the approved or revised workplan to the appropriate committees of Congress.

(3) REPORT.—Not later than July 1, 1998, the Secretary of Education and the Secretary of Labor shall submit to the appropriate committees of Congress information on the transfers required by this section.

(c) APPLICATION OF AUTHORITIES.—

(1) IN GENERAL.—

(A) APPLICATION.—Subsection (a), and subsections (d) through (n), of section 775 (other than subsections (g), (h)(2), (j)(2), and (n)) shall apply to transfers under this section, in the same manner and to the same extent as the subsections apply to transfers under section 775.

(B) REGULATIONS AND CONFORMING AMENDMENTS.—Subsections (g) and (n) of section 775 shall apply to transfers under this section, in the same manner and to the same extent as the subsections apply to transfers under section 775.

(2) REFERENCES.—For purposes of the application of the subsections described in paragraph (1) (other than subsections (h)(2) and (j)(2) of section 775) to transfers under this section—

(A) references to the Federal Partnership shall be deemed to be references to the appropriate receiving agency, as determined in the approved or revised workplan referred to in subsection (b)(2);

(B) references to the Director or Governing Board shall be deemed to be references to the head of the appropriate receiving agency; and

(C) references to transfers in subsections (e) and (f) of section 775 shall be deemed to include transfers under this section.

(3) ADMINISTRATION.—Unexpended funds transferred pursuant to this section shall be used only for the purposes for which the funds were originally authorized and appropriated.

(4) CONTINUING EFFECT OF LEGAL DOCUMENTS.—All orders, determinations, rules, regulations, permits, agreements, grants, contracts, certificates, licenses, registrations, privileges, and other administrative actions—

(A) that have been issued, made, granted, or allowed to become effective by the President, any Federal agency or official of a Federal agency, or by a court of competent jurisdiction, in the performance of functions that are transferred under this section; and

(B) that are in effect on the effective date of this section or were final before the effective date of this section and are to become effective on or after the effective date of this section;

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

(5) PROCEEDINGS NOT AFFECTED.—

(A) IN GENERAL.—The provisions of this section shall not affect any proceedings, including notices of proposed rulemaking, or any application for any license, permit, certificate, or financial assistance pending before the Department of Labor or the Department of Education on the date this section takes effect, with respect to functions transferred by this section.

(B) CONTINUATION.—Such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals shall be taken from the orders, and payments shall be made pursuant to such orders, as if this section had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law.

(C) CONSTRUCTION.—Nothing in this paragraph shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this section had not been enacted.

(6) ADMINISTRATIVE ACTIONS RELATING TO PROMULGATION OF REGULATIONS.—Any administrative action relating to the preparation or promulgation of a regulation by the Department of Labor or the Department of Education relating to a function transferred under this section may be continued by the appropriate receiving agency with the same effect as if this section had not been enacted.

(d) CONSTRUCTION.—Nothing in this section shall be construed to require the transfer of any function described in subsection (b)(1)(B)(i) to the Federal Partnership.

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), this section shall take effect on June 30, 1998.

(2) REGULATIONS AND CONFORMING AMENDMENTS.—Subsection (c)(1)(B) shall take effect on September 30, 1996.

(3) WORKPLAN.—Subsection (b) shall take effect on the date of enactment of this Act.

SEC. 777. ELIMINATION OF CERTAIN OFFICES.

(a) TERMINATION.—The Office of Vocational and Adult Education and the Employment and Training Administration shall terminate on July 1, 1998.

(b) OFFICE OF VOCATIONAL AND ADULT EDUCATION.—

(1) TITLE 5, UNITED STATES CODE.—Section 5315 of title 5, United States Code, is amended by striking "Assistant Secretaries of Education (10)" and inserting "Assistant Secretaries of Education (9)".

(2) DEPARTMENT OF EDUCATION ORGANIZATION ACT.—

(A) Section 202 of the Department of Education Organization Act (20 U.S.C. 3412) is amended—

(i) in subsection (b)(1)—

(I) by striking subparagraph (C); and

(II) by redesignating subparagraphs (D) through (F) as subparagraphs (C) through (E), respectively;

(ii) by striking subsection (h); and

(iii) by redesignating subsection (i) as subsection (h).

(B) Section 206 of such Act (20 U.S.C. 3416) is repealed.

(C) Section 402(c)(1) of the Improving America's Schools Act of 1994 (20 U.S.C. 9001(c)(1)) is amended by striking "established under" and all that follows and inserting a semicolon.

(3) GOALS 2000: EDUCATE AMERICA ACT.—Section 931(h)(3)(A) of the Goals 2000: Educate America Act (20 U.S.C. 6031(h)(3)(A)) is amended—

(A) by striking clause (iii); and

(B) by redesignating clauses (iv) and (v) as clauses (iii) and (iv), respectively.

(c) EMPLOYMENT AND TRAINING ADMINISTRATION.—

(1) TITLE 5, UNITED STATES CODE.—Section 5315 of title 5, United States Code, is amended by striking "Assistant Secretaries of Labor (10)" and inserting "Assistant Secretaries of Labor (9)".

(2) VETERANS' BENEFITS AND PROGRAMS IMPROVEMENT ACT OF 1988.—Section 402(d)(3) of

the Veterans' Benefits and Programs Improvement Act of 1988 (29 U.S.C. 1721 note) is amended by striking "and under any other program administered by the Employment and Training Administration of the Department of Labor".

(3) TITLE 38, UNITED STATES CODE.—Section 4110(d) of title 38, United States Code, is amended—

(A) by striking paragraph (7); and

(B) by redesignating paragraphs (8) through (12) as paragraphs (7) through (11), respectively.

(4) NATIONAL AND COMMUNITY SERVICE ACT OF 1990.—The last sentence of section 162(b) of the National and Community Service Act of 1990 (42 U.S.C. 12622(b)) is amended by striking "or the Office of Job Training".

(d) UNITED STATES EMPLOYMENT SERVICE.—

(1) TITLE 5, UNITED STATES CODE.—Section 3327 of title 5, United States Code, is amended—

(A) in subsection (a), by striking "the employment offices of the United States Employment Service" and inserting "Governors"; and

(B) in subsection (b), by striking "of the United States Employment Service".

(2) TITLE 10, UNITED STATES CODE.—

(A) Section 1143a(d) of title 10, United States Code, is amended by striking paragraph (3).

(B) Section 2410k(b) of title 10, United States Code, is amended by striking ", and where appropriate the Interstate Job Bank (established by the United States Employment Service).".

(3) INTERNAL REVENUE CODE OF 1986.—Section 51 of the Internal Revenue Code of 1986 is amended by striking subsection (g).

(4) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1993.—Section 4468 of the National Defense Authorization Act for Fiscal Year 1993 (29 U.S.C. 1662d-1 note) is repealed.

(5) TITLE 38, UNITED STATES CODE.—Section 4110(d) of title 38, United States Code (as amended by subsection (c)(3)), is further amended—

(A) by striking paragraph (10); and

(B) by redesignating paragraph (11) as paragraph (10).

(6) TITLE 39, UNITED STATES CODE.—

(A) Section 3202(a)(1) of title 39, United States Code is amended—

(i) in subparagraph (D), by striking the semicolon and inserting "; and";

(ii) by striking subparagraph (E); and

(iii) by redesignating subparagraph (F) as subparagraph (E).

(B) Section 3203(b) of title 39, United States Code, is amended by striking "(1)(E), (2), and (3)" and inserting "(2) and (3)".

(C) Section 3206(b) of title 39, United States Code, is amended by striking "(1)(F)" and inserting "(1)(E)".

(7) NATIONAL AND COMMUNITY SERVICE ACT OF 1990.—Section 162(b) of the National and Community Service Act of 1990 (42 U.S.C. 12622(b)) (as amended by subsection (c)(4)) is further amended by striking the last sentence.

(e) REORGANIZATION PLANS.—Except with respect to functions transferred under section 776, the authority granted to the Employment and Training Administration, the Office of Vocational and Adult Education, or any unit of the Employment and Training Administration or the Office of Vocational and Adult Education by any reorganization plan shall terminate on July 1, 1998.

Subtitle F—Repeals of Employment and Training and Vocational and Adult Education Programs

SEC. 781. REPEALS.

(a) IMMEDIATE REPEALS.—The following provisions are repealed:

(1) Section 204 of the Immigration Reform and Control Act of 1986 (8 U.S.C. 1255a note).

(2) Title II of Public Law 95-250 (92 Stat. 172).

(3) The Displaced Homemakers Self-Sufficiency Assistance Act (29 U.S.C. 2301 et seq.).

(4) Section 211 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App. 211).

(5) Subtitle C of title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11441 et seq.).

(6) Section 5322 of title 49, United States Code.

(7) Subchapter I of chapter 421 of title 49, United States Code.

(b) SUBSEQUENT REPEALS.—The following provisions are repealed:

(1) Sections 235 and 236 of the Trade Act of 1974 (19 U.S.C. 2295 and 2296), and paragraphs (1) and (2) of section 250(d) of such Act (19 U.S.C. 2331(d)).

(2) The Adult Education Act (20 U.S.C. 1201 et seq.).

(3) The Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.).

(4) The School-to-Work Opportunities Act of 1994 (20 U.S.C. 6101 et seq.).

(5) The Wagner-Peyser Act (29 U.S.C. 49 et seq.).

(6) The Job Training Partnership Act (29 U.S.C. 1501 et seq.).

(7) Title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.).

(8) Title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11421 et seq.), other than subtitle C of such title.

(c) EFFECTIVE DATES.—

(1) IMMEDIATE REPEALS.—The repeals made by subsection (a) shall take effect on the date of enactment of this Act.

(2) SUBSEQUENT REPEALS.—The repeals made by subsection (b) shall take effect on July 1, 1998.

SEC. 782. CONFORMING AMENDMENTS.

(a) IMMEDIATE REPEALS.—

(1) REFERENCES TO SECTION 204 OF THE IMMIGRATION REFORM AND CONTROL ACT OF 1986.—The table of contents for the Immigration Reform and Control Act of 1986 is amended by striking the item relating to section 204 of such Act.

(2) REFERENCES TO TITLE II OF PUBLIC LAW 95-250.—Section 103 of Public Law 95-250 (16 U.S.C. 791) is amended—

(A) by striking the second sentence of subsection (a); and

(B) by striking the second sentence of subsection (b).

(3) REFERENCES TO SUBTITLE C OF TITLE VII OF THE STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT.—

(A) Section 762(a) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11472(a)) is amended—

(i) by striking "each of the following programs" and inserting "the emergency community services homeless grant program established in section 751"; and

(ii) by striking "tribes:" and all that follows and inserting "tribes.".

(B) The table of contents of such Act is amended by striking the items relating to subtitle C of title VII of such Act.

(4) REFERENCES TO TITLE 49, UNITED STATES CODE.—

(A) Sections 5313(b)(1) and 5314(a)(1) of title 49, United States Code, are amended by striking "5317, and 5322" and inserting "and 5317".

(B) The table of contents for chapter 53 of title 49, United States Code, is amended by striking the item relating to section 5322.

(b) SUBSEQUENT REPEALS.—

(1) RECOMMENDED LEGISLATION.—After consultation with the appropriate committees of Congress and the Director of the Office of Management and Budget, the Governing Board shall prepare and submit to Congress recommended legislation containing technical and conforming amendments to reflect the changes made by section 781(b).

(2) SUBMISSION TO CONGRESS.—Not later than March 31, 1997, the Governing Board shall submit the recommended legislation referred to under paragraph (1).

Subtitle C—Job Corps and Other Workforce Preparation Activities for At-Risk Youth

CHAPTER 1—GENERAL JOB CORPS PROVISIONS

SEC. 741. PURPOSES.

The purposes of this subtitle are—

(1) to maintain a Job Corps for at-risk youth as part of statewide systems;

(2) to set forth standards and procedures for selecting individuals as enrollees in the Job Corps;

(3) to authorize the establishment of residential and nonresidential Job Corps centers in which enrollees will participate in intensive programs of workforce development activities;

(4) to prescribe various other powers, duties, and responsibilities incident to the operation and continuing development of the Job Corps; and

(5) to assist at-risk youth who need and can benefit from an unusually intensive program, operated in a group setting, to become more responsible, employable, and productive citizens.

SEC. 742. DEFINITIONS.

As used in this subtitle:

TITLE VIII—WORKFORCE DEVELOPMENT-RELATED ACTIVITIES

Subtitle A—Amendments to the Rehabilitation Act of 1973

SEC. 801. REFERENCES.

Except as otherwise expressly provided in this subtitle, whenever in this subtitle 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 the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.).

SEC. 802. FINDINGS AND PURPOSES.

Section 2 (29 U.S.C. 701) is amended—

(1) in subsection (a)(4), by striking "the provision of individualized training, independent living services, educational and support services," and inserting "implementation of a statewide workforce development system that provides meaningful and effective participation for individuals with disabilities in workforce development activities and activities carried out through the vocational rehabilitation program established under title I, and through the provision of independent living services, support services,"; and

(2) in subsection (b)(1)(A), by inserting "statewide workforce development systems that include, as integral components," after "(A)".

SEC. 803. CONSOLIDATED REHABILITATION PLAN.

(a) IN GENERAL.—Section 6 (29 U.S.C. 705) is repealed.

(b) CONFORMING AMENDMENT.—The table of contents for the Act is amended by striking the item relating to section 6.

SEC. 804. DEFINITIONS.

Section 7 (29 U.S.C. 706) is amended by adding at the end the following new paragraphs:

"(36) The term 'statewide workforce development system' means a statewide system, as defined in section 703 of the Workforce Development Act of 1995.

"(37) The term 'workforce development activities' has the meaning given the term in section 703 of the Workforce Development Act of 1995.

"(38) The term 'workforce employment activities' means the activities described in paragraphs (2) through (8) of section 716(a) of the Workforce Development Act of 1995, including activities described in section 716(a)(6) of such Act provided through a voucher described in section 716(a)(9) of such Act.".

SEC. 805. ADMINISTRATION.

Section 12(a)(1) (29 U.S.C. 711(a)(1)) is amended by inserting ", including providing assistance to achieve the meaningful and effective participation by individuals with disabilities in the activities carried out through a statewide workforce development system" before the semicolon.

SEC. 806. REPORTS.

Section 13 (29 U.S.C. 712) is amended in the fourth sentence by striking "The data elements" and all that follows through "age," and inserting the following: "The information shall include all information that is required to be submitted in the report described in section 731(a) of the Workforce Development Act of 1995 and that pertains to the employment of individuals with disabilities, including information on age,".

SEC. 807. EVALUATION.

Section 14(a) (29 U.S.C. 713(a)) is amended in the third sentence by striking "to the extent feasible," and all that follows through the end of the sentence and inserting the following: "to the maximum extent appropriate, be consistent with the State benchmarks established under paragraphs (1) and (2) of section 731(c) of the Workforce Development Act of 1995. For purposes of this section, the Secretary may modify or supplement such benchmarks after consultation with the Governing Board established under section 771(b) of the Workforce Development Act of 1995, to the extent necessary to address unique considerations applicable to the participation of individuals with disabilities in the vocational rehabilitation program established under title I and activities carried out under other provisions of this Act.".

SEC. 808. DECLARATION OF POLICY.

Section 100(a) (29 U.S.C. 720(a)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (E), by striking "; and" and inserting a semicolon;

(B) in subparagraph (F)—

(i) by inserting "workforce development activities and" before "vocational rehabilitation services"; and

(ii) by striking the period and inserting "; and"; and

(C) by adding at the end the following subparagraph:

"(G) linkages between the vocational rehabilitation program established under this title and other components of the statewide workforce development system are critical to ensure effective and meaningful participation by individuals with disabilities in workforce development activities."; and

(2) in paragraph (2)—

(A) by striking "a comprehensive" and inserting "statewide comprehensive"; and

(B) by striking "program of vocational rehabilitation that is designed" and inserting "programs of vocational rehabilitation, each of which is—

"(A) an integral component of a statewide workforce development system; and

"(B) designed".

SEC. 809. STATE PLANS.

(a) IN GENERAL.—Section 101(a) (29 U.S.C. 721(a)) is amended—

(1) in the first sentence, by striking ", or shall submit" and all that follows through "et seq.)" and inserting ", and shall submit the State plan on the same dates as the State submits the State plan described in section 714 of the Workforce Development Act of 1995 to the Governing Board established under section 771(b) of such Act";

(2) by inserting after the first sentence the following: "The State shall also submit the State plan for vocational rehabilitation services for review and comment to any State workforce development board established for the State under section 715 of the Workforce Development Act of 1995, which shall submit the comments on the State plan to the designated State unit.";

(3) by striking paragraphs (10), (12), (13), (15), (17), (19), (23), (27), (28), (30), (34), and (35);

(4) in paragraph (20), by striking "(20)" and inserting "(B)";

(5) by redesignating paragraphs (3), (4), (5), (6), (7), (8), (9), (14), (16), (18), (21), (22), (24), (25), (26), (29), (31), (32), (33), and (36) as paragraphs (4), (5), (6), (7), (8), (9), (10), (12), (13), (14), (15), (16), (17), (18), (19), (20), (21), (22), (23), and (24), respectively;

(6) in paragraph (1)(B)—

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

(B) by inserting before clause (ii) (as redesignated in subparagraph (A)) the following: "(i) a State entity primarily responsible for implementing workforce employment activities through the statewide workforce development system of the State,";

(7) in paragraph (2)—

(A) in the matter preceding subparagraph (A), by striking "(1)(B)(i)" and inserting "(1)(B)(ii)"; and

(B) in subparagraph (B)(ii), by striking "(1)(B)(ii)" and inserting "(1)(B)(iii)";

(8) by inserting after paragraph (2) the following paragraph:

"(3) provide a plan for expanding and improving vocational rehabilitation services for individuals with disabilities on a statewide basis, including—

"(A) a statement of values and goals;

"(B) evidence of ongoing efforts to use outcome measures to make decisions about the effectiveness and future direction of the vocational rehabilitation program established under this title in the State; and

"(C) information on specific strategies for strengthening the program as an integral component of the statewide workforce development system established in the State, including specific innovative, state-of-the-art approaches for achieving sustained success in improving and expanding vocational rehabilitation services provided through the program, for all individuals with disabilities who seek employment, through plans, policies, and procedures that link the program with other components of the system, including plans, policies, and procedures relating to—

"(i) entering into cooperative agreements, between the designated State unit and appropriate entities responsible for carrying out the other components of the statewide workforce development system, which agreements may provide for—

"(I) provision of intercomponent staff training and technical assistance regarding the availability and benefits of, and eligibility standards for, vocational rehabilitation services, and regarding the provision of equal, effective, and meaningful participation by individuals with disabilities in workforce employment activities in the State through program accessibility, use of nondiscriminatory policies and procedures, and provision of reasonable accommodations, auxiliary aids and services, and rehabilitation technology, for individuals with disabilities;

"(II) use of information and financial management systems that link all components of the statewide workforce development system, that link the components to other electronic networks, and that relate to such subjects as labor market information, and information on job vacancies, skill qualifications, career planning, and workforce development activities;

"(III) use of customer service features such as common intake and referral procedures, customer data bases, resource information, and human service hotlines;

"(IV) establishment of cooperative efforts with employers to facilitate job placement and to develop and sustain working relationships with employers, trade associations, and labor organizations;

"(V) identification of staff roles and responsibilities and available resources for each entity that carries out a component of the statewide workforce development system with regard to paying for necessary services (consistent with State law); and

"(VI) specification of procedures for resolving disputes among such entities; and

"(ii) providing for the replication of such cooperative agreements at the local level between individual offices of the designated State unit and local entities carrying out activities through the statewide workforce development system;";

(9) in paragraph (6) (as redesignated in paragraph (5))—

(A) by striking subparagraph (A) and inserting the following:

"(A) contain the plans, policies, and methods to be followed in carrying out the State plan and in the administration and supervision of the plan, including—

"(i)(I) the results of a comprehensive, statewide assessment of the rehabilitation needs of individuals with disabilities (including individuals with severe disabilities, individuals with disabilities who are minorities, and individuals with disabilities who have been unserved, or underserved, by the vocational rehabilitation system) who are residing within the State; and

"(II) the response of the State to the assessment;

"(ii) a description of the method to be used to expand and improve services to individuals with the most severe disabilities, including individuals served under part C of title VI;

"(iii) with regard to community rehabilitation programs—

"(I) a description of the method to be used (such as a cooperative agreement) to utilize the programs to the maximum extent feasible; and

"(II) a description of the needs of the programs, including the community rehabilitation programs funded under the Act entitled "An Act to Create a Committee on Purchases of Blind-made Products, and for other purposes", approved June 25, 1938 (commonly known as the Wagner-O'Day Act; 41 U.S.C. 46 et seq.) and such programs funded by State use contracting programs; and

"(iv) an explanation of the methods by which the State will provide vocational rehabilitation services to all individuals with disabilities within the State who are eligible for such services, and, in the event that vocational rehabilitation services cannot be provided to all such eligible individuals with disabilities who apply for such services, information—

"(I) showing and providing the justification for the order to be followed in selecting individuals to whom vocational rehabilitation services will be provided (which order of selection for the provision of vocational rehabilitation services shall be determined on the basis of serving first the individuals with the most severe disabilities in accordance with criteria established by the State, and shall be consistent with priorities in such order of selection so determined, and outcome and service goals for serving individuals with disabilities, established in regulations prescribed by the Commissioner);

"(II) showing the outcomes and service goals, and the time within which the outcomes and service goals may be achieved, for the rehabilitation of individuals receiving such services; and

"(III) describing how individuals with disabilities who will not receive such services if such order is in effect will be referred to other components of the statewide workforce development system for access to services offered by the components;"; and

(B) by striking subparagraph (C) and inserting the following subparagraphs:

"(C) with regard to the statewide assessment of rehabilitation needs described in subparagraph (A)(i)—

"(i) provide that the State agency will make reports at such time, in such manner, and containing such information, as the Commissioner may require to carry out the functions of the Commissioner under this title, and comply with such provisions as are necessary to assure the correctness and verification of such reports; and

"(ii) provide that reports made under clause (i) will include information regarding individuals with disabilities and, if an order of selection described in subparagraph (A)(iv)(I) is in effect in the State, will separately include information regarding individuals with the most severe disabilities, on—

"(I) the number of such individuals who are evaluated and the number rehabilitated;

"(II) the costs of administration, counseling, provision of direct services, development of community rehabilitation programs, and other functions carried out under this Act; and

"(III) the utilization by such individuals of other programs pursuant to paragraph (11); and

"(D) describe—

"(i) how a broad range of rehabilitation technology services will be provided at each stage of the rehabilitation process;

"(ii) how a broad range of such rehabilitation technology services will be provided on a statewide basis; and

"(iii) the training that will be provided to vocational rehabilitation counselors, client assistance personnel, personnel of the providers of one-stop delivery of core services described in section 716(a)(2) of the Workforce Development Act of 1995, and other related services personnel;";

(10) in subparagraph (A) of paragraph (8) (as redesignated in paragraph (5))—

(A) in clause (i)(II), by striking ", based on projections" and all that follows through "relevant factors"; and

(B) by striking clauses (iii) and (iv) and inserting the following clauses:

"(iii) a description of the ways in which the system for evaluating the performance of rehabilitation counselors, coordinators, and other personnel used in the State facilitates the accomplishment of the purpose and policy of this title, including the policy of serving, among others, individuals with the most severe disabilities;

"(iv) provide satisfactory assurances that the system described in clause (iii) in no way impedes such accomplishment; and";

(11) in paragraph (9) (as redesignated in paragraph (5)) by striking "required—" and all that follows through "(B) prior" and inserting "required prior";

(12) in paragraph (10) (as redesignated in paragraph (5))—

(A) in subparagraph (B), by striking "written rehabilitation program" and inserting "employment plan"; and

(B) in subparagraph (C), by striking "plan in accordance with such program" and inserting "State plan in accordance with the employment plan";

(13) in paragraph (11)—

(A) in subparagraph (A), by striking "State's public" and all that follows and inserting "State programs that are not part of the statewide workforce development system of the State;"; and

(B) in subparagraph (C)—

(i) by striking "if appropriate—" and all that follows through "entering into" and inserting "if appropriate, entering into";

(ii) by redesignating subclauses (I), (II), and (III) as clauses (i), (ii), and (iii), respectively; and

(iii) by indenting the clauses and aligning the margins of the clauses with the margins of clause (ii) of subparagraph (A) of paragraph (8) (as redesignated in paragraph (5));

(14) in paragraph (14) (as redesignated in paragraph (5))—

(A) by striking "(14)" and inserting "(14)(A)"; and

(B) by inserting before the semicolon the following ", and, in the case of the designated State unit, will take actions to take such views into account that include providing timely notice, holding public hearings, preparing a summary of hearing comments, and documenting and disseminating information relating to the manner in which the comments will affect services; and";

(15) in paragraph (16) (as redesignated in paragraph (5)), by striking "referrals to other Federal and State programs" and inserting "referrals within the statewide workforce development system of the State to programs"; and

(16) in paragraph (17) (as redesignated in paragraph (5))—

(A) in subparagraph (B), by striking "written rehabilitation program" and inserting "employment plan"; and

(B) in subparagraph (C)—

(i) in clause (ii), by striking "; and" and inserting a semicolon;

(ii) in clause (iii), by striking the semicolon and inserting "; and"; and

(iii) by adding at the end the following clause:

"(iv) the manner in which students who are individuals with disabilities and who are not in special education programs can access and receive vocational rehabilitation services, where appropriate;".

(b) CONFORMING AMENDMENTS.—

(1) Section 7 (29 U.S.C. 706) is amended—

(A) in paragraph (3)(B)(ii), by striking "101(a)(1)(B)(i)" and inserting "101(a)(1)(B)(ii)"; and

(B) in paragraph (22)(A)(i)(II), by striking "101(a)(5)(A)" each place it appears and inserting "101(a)(6)(A)(iv)".

(2) Section 12(d) (29 U.S.C. 711(d)) is amended by striking "101(a)(5)(A)" and inserting "101(a)(6)(A)(iv)".

(3) Section 101(a) (29 U.S.C. 721(a)) is amended—

(A) in paragraph (1)(A), by striking "paragraph (4) of this subsection" and inserting "paragraph (5)";

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by striking "paragraph (1)(B)(i)" and inserting "paragraph (1)(B)(ii)"; and

(ii) in subparagraph (B)(i), by striking "paragraph (1)(B)(ii)" and inserting "paragraph (1)(B)(iii)";

(C) in paragraph (17) (as redesignated in subsection (a)(5)), by striking "paragraph (11)(C)(ii)" and inserting "paragraph (11)(C)";

(D) in paragraph (22) (as redesignated in subsection (a)(5)), by striking "paragraph (36)" and inserting "paragraph (24)"; and

(E) in subparagraph (C) of paragraph (24) (as redesignated in subsection (a)(5)), by striking "101(a)(1)(A)(i)" and inserting "paragraph (1)(A)(i)".

(4) Section 102 (29 U.S.C. 722) is amended—

(A) in subsection (a)(3), by striking "101(a)(24)" and inserting "101(a)(17)"; and

(B) in subsection (d)(2)(C)(ii)—

(i) in subclause (II), by striking "101(a)(36)" and inserting "101(a)(24)"; and

(ii) in subclause (III), by striking "101(a)(36)(C)(ii)" and inserting "101(a)(24)(C)(ii)".

(5) Section 105(a)(1) (29 U.S.C. 725(a)(1)) is amended by striking "101(a)(36)" and inserting "101(a)(24)".

(6) Section 107(a) (29 U.S.C. 727(a)) is amended—

(A) in paragraph (2)(F), by striking "101(a)(32)" and inserting "101(a)(22)";

(B) in paragraph (3)(A), by striking "101(a)(5)(A)" and inserting "101(a)(6)(A)(iv)"; and

(C) in paragraph (4), by striking "101(a)(35)" and inserting "101(a)(8)(A)(iii)".

(7) Section 111(a) (29 U.S.C. 731(a)) is amended—

(A) in paragraph (1), by striking "and development and implementation" and all that follows through "referred to in section 101(a)(34)(B)"; and

(B) in paragraph (2)(A), by striking "and such payments shall not be made in an amount which would result in a violation of the provisions of the State plan required by section 101(a)(17)".

(8) Section 124(a)(1)(A) (29 U.S.C. 744(a)(1)(A)) is amended by striking "(not including sums used in accordance with section 101(a)(34)(B))".

(9) Section 315(b)(2) (29 U.S.C. 777e(b)(2)) is amended by striking "101(a)(22)" and inserting "101(a)(16)".

(10) Section 635(b)(2) (29 U.S.C. 795n(b)(2)) is amended by striking "101(a)(5)" and inserting "101(a)(6)(A)(i)(I)".

(11) Section 802(h)(2)(B)(ii) (29 U.S.C. 797a(h)(2)(B)(ii)) is amended by striking "101(a)(5)(A)" and inserting "101(a)(6)(A)(iv)".

(12) Section 102(e)(23)(A) of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2212(e)(23)(A)) is amended by striking "section 101(a)(36) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)(36))" and inserting "section 101(a)(24) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)(24))".

SEC. 810. INDIVIDUALIZED EMPLOYMENT PLANS.

(a) IN GENERAL.—Section 102 (29 U.S.C. 722) is amended—

(1) by striking the section heading and inserting the following:

"SEC. 102. INDIVIDUALIZED EMPLOYMENT PLANS.";

(2) in subsection (a)(6), by striking "written rehabilitation program" and inserting "employment plan";

(3) in subsection (b)—

(A) in paragraph (1)(A)—

(i) in clause (i), by striking "written rehabilitation program" and inserting "employment plan"; and

(ii) in clause (ii), by striking "program" and inserting "plan";

(B) in paragraph (1)(B)—

(i) in the matter preceding clause (i), by striking "written rehabilitation program" and inserting "employment plan";

(ii) in clause (iv)—

(I) by striking subclause (I) and inserting the following:

"(I) include a statement of the specific vocational rehabilitation services to be provided (including, if appropriate, rehabilitation technology services and training in how to use such services) that includes specification of the public or private entity that will provide each such vocational rehabilitation service and the projected dates for the initiation and the anticipated duration of each such service; and";

(II) by striking subclause (II); and

(III) by redesignating subclause (III) as subclause (II); and

(iii) in clause (xi)(I), by striking "program" and inserting "plan";

(C) in paragraph (1)(C), by striking "written rehabilitation program and amendments to the program" and inserting "employment plan and amendments to the plan"; and

(D) in paragraph (2)—

(i) by striking "program" each place the term appears and inserting "plan"; and

(ii) by striking "written rehabilitation" each place the term appears and inserting "employment";

(4) in subsection (c)—

(A) in paragraph (1), by striking "written rehabilitation program" and inserting "employment plan"; and

(B) by striking "written program" each place the term appears and inserting "plan"; and

(5) in subsection (d)—

(A) in paragraph (5), by striking "written rehabilitation program" and inserting "employment plan"; and

(B) in paragraph (6)(A), by striking the second sentence.

(b) CONFORMING AMENDMENTS.—

(1) The table of contents for the Act is amended by striking the item relating to section 102 and inserting the following:

"Sec. 102. Individualized employment plans.".

(2) Paragraphs (22)(B) and (27)(B), and subparagraphs (B) and (C) of paragraph (34) of section 7 (29 U.S.C. 706), section 12(e)(1) (29 U.S.C. 711(e)(1)), section 501(e) (29 U.S.C. 791(e)), subparagraphs (C), (D), and (E) of section 635(b)(6) (29 U.S.C. 795n(b)(6) (C), (D), and (E)), section 802(g)(8)(B) (29 U.S.C. 797a(g)(8)(B)), and section 803(c)(2)(D) (29 U.S.C. 797b(c)(2)(D)) are amended by striking "written rehabilitation program" each place the term appears and inserting "employment plan".

(3) Section 7(22)(B)(i) (29 U.S.C. 706(22)(B)(i)) is amended by striking "rehabilitation program" and inserting "employment plan".

(4) Section 107(a)(3)(D) (29 U.S.C. 727(a)(3)(D)) is amended by striking "written rehabilitation programs" and inserting "employment plans".

(5) Section 101(b)(7)(A)(ii)(II) of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2211(b)(7)(A)(ii)(II)) is amended by striking "written rehabilitation program" and inserting "employment plan".

SEC. 811. SCOPE OF VOCATIONAL REHABILITATION SERVICES.

Section 103 (29 U.S.C. 723) is amended—

(1) in subsection (a)(4)—

(A) in subparagraph (B), by striking "surgery or";

(B) in subparagraph (D), by striking the comma at the end and inserting ", and";

(C) by striking subparagraph (E); and

(D) by redesignating subparagraph (F) as subparagraph (E); and

(2) in subsection (b)(1), by striking "the most severe".

SEC. 812. STATE REHABILITATION ADVISORY COUNCIL.

(a) IN GENERAL.—Section 105 (29 U.S.C. 725) is amended—

(1) in subsection (b)(1)(A)(vi), by inserting before the semicolon the following: "who, to the extent feasible, are members of any State workforce development board established for the State under section 715 of the Workforce Development Act of 1995"; and

(2) in subsection (c)—

(A) by redesignating paragraphs (3) through (7) as paragraphs (4) through (8), respectively;

(B) by inserting after paragraph (2) the following new paragraph:

"(3) advise the designated State agency and the designated State unit regarding strategies for ensuring that the vocational rehabilitation program established under this title becomes an integral part of the statewide workforce development system of the State;"; and

(C) in paragraph (6) (as redesignated in subparagraph (A))—

(i) by striking "6024), and" and inserting "6024),"; and

(ii) by striking the semicolon at the end and inserting the following: ", and any State workforce development board established for the State under section 715 of the Workforce Development Act of 1995;".

(b) CONFORMING AMENDMENT.—Subparagraph (B)(iv), and clauses (ii)(I) and (iii)(I) of subparagraph (C), of paragraph (24) (as redesignated in section 409(a)(5)) of section 101(a) (29 U.S.C. 721(a)) are amended by striking "105(c)(3)" and inserting "105(c)(4)".

SEC. 813. EVALUATION STANDARDS AND PERFORMANCE INDICATORS.

Section 106(a)(1) (29 U.S.C. 726(a)(1)) is amended—

(1) by striking "1994" and inserting "1996"; and

(2) by striking the period and inserting the following: "that shall, to the maximum extent appropriate, be consistent with the State benchmarks established under paragraphs (1) and (2) of section 731(c) of the Workforce Development Act of 1995. For purposes of this section, the Commissioner may modify or supplement such benchmarks, after consultation with the Governing Board established under section 771(b) of the Workforce Development Act of 1995, to the extent necessary to address unique considerations applicable to the participation of individuals with disabilities in the vocational rehabilitation program.".

SEC. 814. REPEALS.

(a) IN GENERAL.—Title I (29 U.S.C. 720 et seq.) is amended—

(1) by repealing part C; and

(2) by redesignating parts D and E as parts C and D, respectively.

(b) CONFORMING AMENDMENTS.—The table of contents for the Act is amended—

(1) by striking the items relating to part C of title I; and

(2) by striking the items relating to parts D and E of title I and inserting the following:

"PART C—AMERICAN INDIAN VOCATIONAL REHABILITATION SERVICES

"Sec. 130. Vocational rehabilitation services grants.

"PART D—VOCATIONAL REHABILITATION SERVICES CLIENT INFORMATION

"Sec. 140. Review of data collection and reporting system.

"Sec. 141. Exchange of data.".

SEC. 815. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by this subtitle shall take effect on the date of enactment of this Act.

(b) STATEWIDE SYSTEM REQUIREMENTS.—The changes made in the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) by the amendments made by this subtitle that relate to State benchmarks, or other components of a statewide system, shall take effect—

(1) in a State that submits and obtains approval of an interim plan under section 762 for program year 1997, on July 1, 1997; and

(2) in any other State, on July 1, 1998.

Subtitle B—Amendments to Immigration and Nationality Act

SEC. 821. PROHIBITION ON USE OF FUNDS FOR CERTAIN EMPLOYMENT ACTIVITIES.

Section 412(c)(1) of the Immigration and Nationality Act is amended by adding at the end the following new subparagraph:

"(D) Funds available under this paragraph may not be provided to States for workforce employment activities authorized and funded under the Workforce Development Act of 1995.".

TITLE IX—CHILD SUPPORT

SEC. 900. REFERENCE TO SOCIAL SECURITY ACT.

Except as otherwise specifically provided, whenever in this title an amendment 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 that section or other provision of the Social Security Act.

Subtitle A—Eligibility for Services; Distribution of Payments

SEC. 901. STATE OBLIGATION TO PROVIDE CHILD SUPPORT ENFORCEMENT SERVICES.

(a) STATE PLAN REQUIREMENTS.—Section 454 (42 U.S.C. 654) is amended—

(1) by striking paragraph (4) and inserting the following new paragraph:

"(4) provide that the State will—

"(A) provide services relating to the establishment of paternity or the establishment, modification, or enforcement of child support obligations, as appropriate, under the plan with respect to—

"(i) each child for whom (I) assistance is provided under the State program funded under part A of this title, (II) benefits or services are provided under the State program funded under part E of this title, or (III) medical assistance is provided under the State plan approved under title XIX, unless the State agency administering the plan determines (in accordance with paragraph (29)) that it is against the best interests of the child to do so; and

"(ii) any other child, if an individual applies for such services with respect to the child; and

"(B) enforce any support obligation established with respect to—

"(i) a child with respect to whom the State provides services under the plan; or

"(ii) the custodial parent of such a child."; and

(2) in paragraph (6)—

(A) by striking "provide that" and inserting "provide that—";

(B) by striking subparagraph (A) and inserting the following new subparagraph:

"(A) services under the plan shall be made available to nonresidents on the same terms as to residents;";

(C) in subparagraph (B), by inserting "on individuals not receiving assistance under any State program funded under part A" after "such services shall be imposed";

(D) in each of subparagraphs (B), (C), (D), and (E)—

(i) by indenting the subparagraph in the same manner as, and aligning the left margin of the subparagraph with the left margin of, the matter inserted by subparagraph (B) of this paragraph; and

(ii) by striking the final comma and inserting a semicolon; and

(E) in subparagraph (E), by indenting each of clauses (i) and (ii) 2 additional ems.

(b) CONTINUATION OF SERVICES FOR FAMILIES CEASING TO RECEIVE ASSISTANCE UNDER THE STATE PROGRAM FUNDED UNDER PART A.—Section 454 (42 U.S.C. 654) is amended—

(1) by striking "and" at the end of paragraph (23);

(2) by striking the period at the end of paragraph (24) and inserting "; and"; and

(3) by adding after paragraph (24) the following new paragraph:

"(25) provide that when a family with respect to which services are provided under the plan ceases to receive assistance under the State program funded under part A, the State shall provide appropriate notice to the family and continue to provide such services, subject to the same conditions and on the same basis as in the case of individuals to whom services are furnished under this section, except that an application or other request to continue services shall not be required of such a family and paragraph (6)(B) shall not apply to the family.".

(c) CONFORMING AMENDMENTS.—

(1) Section 452(b) (42 U.S.C. 652(b)) is amended by striking "454(6)" and inserting "454(4)".

(2) Section 452(g)(2)(A) (42 U.S.C. 652(g)(2)(A)) is amended by striking "454(6)" each place it appears and inserting "454(4)(A)(ii)".

(3) Section 466(a)(3)(B) (42 U.S.C. 666(a)(3)(B)) is amended by striking "in the case of overdue support which a State has agreed to collect under section 454(6)" and inserting "in any other case".

(4) Section 466(e) (42 U.S.C. 666(e)) is amended by striking "paragraph (4) or (6) of section 454" and inserting "section 454(4)".

SEC. 902. DISTRIBUTION OF CHILD SUPPORT COLLECTIONS.

(a) IN GENERAL.—Section 457 (42 U.S.C. 657) is amended to read as follows:

"SEC. 457. DISTRIBUTION OF COLLECTED SUPPORT.

"(a) IN GENERAL.—An amount collected on behalf of a family as support by a State pursuant to a plan approved under this part shall be distributed as follows:

"(1) FAMILIES RECEIVING ASSISTANCE.—In the case of a family receiving assistance from the State, the State shall—

"(A) retain, or distribute to the family, the State share of the amount so collected; and

"(B) pay to the Federal Government the Federal share of the amount so collected.

"(2) FAMILIES THAT FORMERLY RECEIVED ASSISTANCE.—In the case of a family that formerly received assistance from the State:

"(A) CURRENT SUPPORT PAYMENTS.—The State shall, with regard to amounts collected which represent amounts owed for the current month, distribute the amounts so collected to the family.

"(B) PAYMENT OF ARREARAGES.—The State shall, with regard to amounts collected which exceed amounts owed for the current month, distribute the amounts so collected as follows:

"(i) DISTRIBUTION TO THE FAMILY TO SATISFY ARREARAGES THAT ACCRUED AFTER THE FAMILY RECEIVED ASSISTANCE.—The State shall distribute the amount so collected to the family to the extent necessary to satisfy any support arrearages with respect to the family that accrued after the family stopped receiving assistance from the State.

"(ii) DISTRIBUTION TO THE FAMILY TO SATISFY ARREARAGES THAT ACCRUED BEFORE OR WHILE THE FAMILY RECEIVED ASSISTANCE TO THE EXTENT PAYMENTS EXCEED ASSISTANCE RECEIVED.—In the case of arrearages of support obligations with respect to the family that were assigned to the State making the collection, as a condition of receiving assistance from the State, and which accrued before or while the family received such assistance, the State may retain all or a part of the State share and if the State does so retain, shall retain and pay to the Federal Government the Federal share of amounts so collected, to the extent the amount so retained does not exceed the amount of assistance provided to the family by the State.

"(iii) DISTRIBUTION OF THE REMAINDER TO THE FAMILY.—To the extent that neither clause (i) nor clause (ii) applies to the amount so collected, the State shall distribute the amount to the family.

"(3) FAMILIES THAT NEVER RECEIVED ASSISTANCE.—In the case of any other family, the State shall distribute the amount so collected to the family.

"(b) TRANSITION RULE.—Any rights to support obligations which were assigned to a State as a condition of receiving assistance from the State under part A before the effective date of the Work Opportunity Act of 1995 shall remain assigned after such date.

"(c) DEFINITIONS.—As used in subsection (a):

"(1) ASSISTANCE.—The term 'assistance from the State' means—

"(A) assistance under the State program funded under part A or under the State plan approved under part A of this title (as in effect before October 1, 1995); or

"(B) benefits under the State plan approved under part B or E of this title.

"(2) FEDERAL SHARE.—The term 'Federal share' means, with respect to an amount collected by the State to satisfy a support obligation owed to a family for a time period—

"(A) the greatest Federal medical assistance percentage in effect for the State for fiscal year 1995 or any succeeding fiscal year; or

"(B) if support is not owed to the family for any month for which the family received aid to families with dependent children under the State plan approved under part A of this title (as in effect before October 1, 1995), the Federal reimbursement percentage for the fiscal year in which the time period occurs.

"(3) FEDERAL MEDICAL ASSISTANCE PERCENTAGE.—The term 'Federal medical assistance percentage' means—

"(A) the Federal medical assistance percentage (as defined in section 1905(b)) in the case of any State for which subparagraph (B) does not apply; or

"(B) the Federal medical assistance percentage (as defined in section 1118), in the case of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

"(4) FEDERAL REIMBURSEMENT PERCENTAGE.—The term 'Federal reimbursement percentage' means, with respect to a fiscal year—

"(A) the total amount paid to the State under section 403 for the fiscal year; divided by

"(B) the total amount expended by the State to carry out the State program under part A during the fiscal year.

"(5) STATE SHARE.—The term 'State share' means 100 percent minus the Federal share.".

(b) CLERICAL AMENDMENTS.—Section 454 (42 U.S.C. 654) is amended—

(1) in paragraph (11)—

(A) by striking "(11)" and inserting "(11)(A)"; and

(B) by inserting after the semicolon "and"; and

(2) by redesignating paragraph (12) as subparagraph (B) of paragraph (11).

(c) EFFECTIVE DATE.—

(1) GENERAL RULE.—Except as provided in paragraphs (2) and (3), the amendment made by subsection (a) shall become effective on October 1, 1999.

(2) EARLIER EFFECTIVE DATE FOR RULES RELATING TO DISTRIBUTION OF SUPPORT COLLECTED FOR FAMILIES RECEIVING ASSISTANCE.—Section 457(a)(1) of the Social Security Act, as added by the amendment made by subsection (a), shall become effective on October 1, 1995.

(3) SPECIAL RULE.—A State may elect to have the amendment made by subsection (a) become effective on a date earlier than October 1, 1999, which date shall coincide with the operation of the single statewide automated data processing and information retrieval system required by section 454A of the Social Security Act (as added by section 944(a)(2)) and the State disbursement unit required by section 454B of the Social Security Act (as added by section 912(b)), and the existence of State requirements for assignment of support as a condition of eligibility for assistance under part A of the Social Security Act (as added by title I).

(4) CLERICAL AMENDMENTS.—The amendments made by subsection (b) shall become effective on October 1, 1995.

SEC. 903. RIGHTS TO NOTIFICATION AND HEARINGS.

(a) IN GENERAL.—Section 454 (42 U.S.C. 654), as amended by section 902(b), is amended by inserting after paragraph (11) the following new paragraph:

"(12) establish procedures to provide that—

"(A) individuals who are applying for or receiving services under this part, or are parties to cases in which services are being provided under this part—

"(i) receive notice of all proceedings in which support obligations might be established or modified; and

"(ii) receive a copy of any order establishing or modifying a child support obligation, or (in the case of a petition for modification) a notice of determination that there should be no change in the amount of the child support award, within 14 days after issuance of such order or determination; and

"(B) individuals applying for or receiving services under this part have access to a fair hearing or other formal complaint procedure that meets standards established by the Secretary and ensures prompt consideration and resolution of complaints (but the resort to such procedure shall not stay the enforcement of any support order);".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on October 1, 1997.

SEC. 904. PRIVACY SAFEGUARDS.

(a) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by section 901(b), is amended—

(1) by striking "and" at the end of paragraph (24);

(2) by striking the period at the end of paragraph (25) and inserting "; and"; and

(3) by adding after paragraph (25) the following new paragraph:

"(26) will have in effect safeguards, applicable to all confidential information handled by the State agency, that are designed to protect the privacy rights of the parties, including—

"(A) safeguards against unauthorized use or disclosure of information relating to proceedings or actions to establish paternity, or to establish or enforce support;

"(B) prohibitions against the release of information on the whereabouts of 1 party to another party against whom a protective order with respect to the former party has been entered; and

"(C) prohibitions against the release of information on the whereabouts of 1 party to another party if the State has reason to believe that the release of the information may result in physical or emotional harm to the former party.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on October 1, 1997.

Subtitle B—Locate and Case Tracking

SEC. 911. STATE CASE REGISTRY.

Section 454A, as added by section 944(a)(2), is amended by adding at the end the following new subsections:

"(e) STATE CASE REGISTRY.—

"(1) CONTENTS.—The automated system required by this section shall include a registry (which shall be known as the 'State case registry') that contains records with respect to—

"(A) each case in which services are being provided by the State agency under the State plan approved under this part; and

"(B) each support order established or modified in the State on or after October 1, 1998.

"(2) LINKING OF LOCAL REGISTRIES.—The State case registry may be established by linking local case registries of support orders through an automated information network, subject to this section.

"(3) USE OF STANDARDIZED DATA ELEMENTS.—Such records shall use standardized data elements for both parents (such as names, social security numbers and other uniform identification numbers, dates of birth, and case identification numbers), and contain such other information (such as on-case status) as the Secretary may require.

"(4) PAYMENT RECORDS.—Each case record in the State case registry with respect to which services are being provided under the State plan approved under this part and with respect to which a support order has been established shall include a record of—

"(A) the amount of monthly (or other periodic) support owed under the order, and other amounts (including arrearages, interest or late payment penalties, and fees) due or overdue under the order;

"(B) any amount described in subparagraph (A) that has been collected;

"(C) the distribution of such collected amounts;

"(D) the birth date of any child for whom the order requires the provision of support; and

"(E) the amount of any lien imposed with respect to the order pursuant to section 466(a)(4).

"(5) UPDATING AND MONITORING.—The State agency operating the automated system required by this section shall promptly establish and maintain, and regularly monitor, case records in the State case registry with respect to which services are being provided under the State plan approved under this part, on the basis of—

"(A) information on administrative actions and administrative and judicial proceedings and orders relating to paternity and support;

"(B) information obtained from comparison with Federal, State, or local sources of information;

"(C) information on support collections and distributions; and

"(D) any other relevant information.

"(f) INFORMATION COMPARISONS AND OTHER DISCLOSURES OF INFORMATION.—The State shall use the automated system required by this section to extract information from (at such times, and in such standardized format or formats, as may be required by the Secretary), to share and compare information with, and to receive information from, other data bases and information comparison services, in order to obtain (or provide) information necessary to enable the State agency (or the Secretary or other State or Federal agencies) to carry out this part, subject to section 6103 of the Internal Revenue Code of 1986. Such information comparison activities shall include the following:

"(1) FEDERAL CASE REGISTRY OF CHILD SUPPORT ORDERS.—Furnishing to the Federal Case Registry of Child Support Orders established under section 453(h) (and update as necessary, with information including notice of expiration of orders) the minimum amount of information on child support cases recorded in the State case registry that is necessary to operate the registry (as specified by the Secretary in regulations).

"(2) FEDERAL PARENT LOCATOR SERVICE.—Exchanging information with the Federal Parent Locator Service for the purposes specified in section 453.

"(3) TEMPORARY FAMILY ASSISTANCE AND MEDICAID AGENCIES.—Exchanging information with State agencies (of the State and of other States) administering programs funded under part A, programs operated under State plans under title XIX, and other programs designated by the Secretary, as necessary to perform State agency responsibilities under this part and under such programs.

"(4) INTRASTATE AND INTERSTATE INFORMATION COMPARISONS.—Exchanging information with other agencies of the State, agencies of other States, and interstate information networks, as necessary and appropriate to carry out (or assist other States to carry out) the purposes of this part.".

SEC. 912. COLLECTION AND DISBURSEMENT OF SUPPORT PAYMENTS.

(a) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by sections 901(b) and 904(a), is amended—

(1) by striking "and" at the end of paragraph (25);

(2) by striking the period at the end of paragraph (26) and inserting "; and"; and

(3) by adding after paragraph (26) the following new paragraph:

"(27) provide that, on and after October 1, 1998, the State agency will—

"(A) operate a State disbursement unit in accordance with section 454B; and

"(B) have sufficient State staff (consisting of State employees), and (at State option) contractors reporting directly to the State agency, to—

"(i) monitor and enforce support collections through the unit (including carrying out the automated data processing responsibilities described in section 454A(g)); and

"(ii) take the actions described in section 466(c)(1) in appropriate cases.".

(b) ESTABLISHMENT OF STATE DISBURSEMENT UNIT.—Part D of title IV (42 U.S.C. 651–669), as amended by section 944(a)(2), is amended by inserting after section 454A the following new section:

"SEC. 454B. COLLECTION AND DISBURSEMENT OF SUPPORT PAYMENTS.

"(a) STATE DISBURSEMENT UNIT.—

"(1) IN GENERAL.—In order for a State to meet the requirements of this section, the State agency must establish and operate a unit (which shall be known as the 'State disbursement unit') for the collection and disbursement of payments under support orders in all cases being enforced by the State pursuant to section 454(4).

"(2) OPERATION.—The State disbursement unit shall be operated—

"(A) directly by the State agency (or 2 or more State agencies under a regional cooperative agreement), or (to the extent appropriate) by a contractor responsible directly to the State agency; and

"(B) in coordination with the automated system established by the State pursuant to section 454A.

"(3) LINKING OF LOCAL DISBURSEMENT UNITS.—The State disbursement unit may be established by linking local disbursement units through an automated information network, subject to this section. The Secretary must agree that the system will not cost more nor take more time to establish or operate than a centralized system. In addition, employers shall be given 1 location to which income withholding is sent.

"(b) REQUIRED PROCEDURES.—The State disbursement unit shall use automated procedures, electronic processes, and computer-driven technology to the maximum extent feasible, efficient, and economical, for the collection and disbursement of support payments, including procedures—

"(1) for receipt of payments from parents, employers, and other States, and for disbursements to custodial parents and other obligees, the State agency, and the agencies of other States;

"(2) for accurate identification of payments;

"(3) to ensure prompt disbursement of the custodial parent's share of any payment; and

"(4) to furnish to any parent, upon request, timely information on the current status of support payments under an order requiring payments to be made by or to the parent.

"(c) TIMING OF DISBURSEMENTS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the State disbursement unit shall distribute all amounts payable under section 457(a) within 2 business days after receipt from the employer or other source of periodic income, if sufficient information identifying the payee is provided.

"(2) PERMISSIVE RETENTION OF ARREARAGES.—The State disbursement unit may delay the distribution of collections toward arrearages until the resolution of any timely appeal with respect to such arrearages.

"(d) BUSINESS DAY DEFINED.—As used in this section, the term 'business day' means a day on which State offices are open for regular business.".

(c) USE OF AUTOMATED SYSTEM.—Section 454A, as added by section 944(a)(2) and as amended by section 911, is amended by adding at the end the following new subsection:

"(g) COLLECTION AND DISTRIBUTION OF SUPPORT PAYMENTS.—

"(1) IN GENERAL.—The State shall use the automated system required by this section,

to the maximum extent feasible, to assist and facilitate the collection and disbursement of support payments through the State disbursement unit operated under section 454B, through the performance of functions, including, at a minimum—

"(A) transmission of orders and notices to employers (and other debtors) for the withholding of wages and other income—

"(i) within 2 business days after receipt from a court, another State, an employer, the Federal Parent Locator Service, or another source recognized by the State of notice of, and the income source subject to, such withholding; and

"(ii) using uniform formats prescribed by the Secretary;

"(B) ongoing monitoring to promptly identify failures to make timely payment of support; and

"(C) automatic use of enforcement procedures (including procedures authorized pursuant to section 466(c)) where payments are not timely made.

"(2) BUSINESS DAY DEFINED.—As used in paragraph (1), the term 'business day' means a day on which State offices are open for regular business.".

(d) EFFECTIVE DATE.—The amendments made by this section shall become effective on October 1, 1998.

SEC. 913. STATE DIRECTORY OF NEW HIRES.

(a) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by sections 901(b), 904(a) and 912(a), is amended—

(1) by striking "and" at the end of paragraph (26);

(2) by striking the period at the end of paragraph (27) and inserting "; and"; and

(3) by adding after paragraph (27) the following new paragraph:

"(28) provide that, on and after October 1, 1997, the State will operate a State Directory of New Hires in accordance with section 453A.".

(b) STATE DIRECTORY OF NEW HIRES.—Part D of title IV (42 U.S.C. 651-669) is amended by inserting after section 453 the following new section:

"SEC. 453A. STATE DIRECTORY OF NEW HIRES.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—Not later than October 1, 1997, each State shall establish an automated directory (to be known as the 'State Directory of New Hires') which shall contain information supplied in accordance with subsection (b) by employers on each newly hired employee.

"(2) DEFINITIONS.—As used in this section:

"(A) EMPLOYEE.—The term 'employee'—

"(i) means an individual who is an employee within the meaning of chapter 24 of the Internal Revenue Code of 1986; and

"(ii) does not include an employee of a Federal or State agency performing intelligence or counterintelligence functions, if the head of such agency has determined that reporting pursuant to paragraph (1) with respect to the employee could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission.

"(B) EMPLOYER.—The term 'employer' includes—

"(i) any governmental entity, and

"(ii) any labor organization.

"(C) LABOR ORGANIZATION.—The term 'labor organization' shall have the meaning given such term in section 2(5) of the National Labor Relations Act, and includes any entity (also known as a 'hiring hall') which is used by the organization and an employer to carry out requirements described in section 8(f)(3) of such Act of an agreement between the organization and the employer.

"(b) EMPLOYER INFORMATION.—

"(1) REPORTING REQUIREMENT.—

"(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), each employer shall furnish to the Directory of New Hires of the State in which a newly hired employee works, a report that contains the name, address, and social security number of the employee, and the name of, and identifying number assigned under section 6109 of the Internal Revenue Code of 1986 to, the employer.

"(B) MULTISTATE EMPLOYERS.—An employer that has employees who are employed in 2 or more States and that transmits reports magnetically or electronically may comply with subparagraph (A) by designating 1 State in which such employer has employees to which it will transmit the report described in subparagraph (A), and transmitting such report to such State. Any employer that transmits reports pursuant to this subparagraph shall notify the Secretary in writing as to which State such employer designates for the purpose of sending reports.

"(C) FEDERAL GOVERNMENT EMPLOYERS.—Any department, agency, or instrumentality of the United States shall comply with subparagraph (A) by transmitting the report described in subparagraph (A) to the National Directory of New Hires established pursuant to section 453.

"(2) TIMING OF REPORT.—The report required by paragraph (1) with respect to an employee shall be made not later than the later of—

"(A) 30 days after the date the employer hires the employee; or

"(B) in the case of an employer that reports by magnetic or electronic means, the 1st business day of the week following the date on which the employee 1st receives wages or other compensation from the employer.

"(c) REPORTING FORMAT AND METHOD.—Each report required by subsection (b) shall be made on a W-4 form and may be transmitted by 1st class mail, magnetically, or electronically.

"(d) CIVIL MONEY PENALTIES ON NONCOMPLYING EMPLOYERS.—An employer that fails to comply with subsection (b) with respect to an employee shall be subject to a State civil money penalty which shall be less than—

"(1) $25; or

"(2) $500 if, under State law, the failure is the result of a conspiracy between the employer and the employee to not supply the required report or to supply a false or incomplete report.

"(e) ENTRY OF EMPLOYER INFORMATION.—Information shall be entered into the data base maintained by the State Directory of New Hires within 5 business days of receipt from an employer pursuant to subsection (b).

"(f) INFORMATION COMPARISONS.—

"(1) IN GENERAL.—Not later than October 1, 1998, an agency designated by the State shall, directly or by contract, conduct automated comparisons of the social security numbers reported by employers pursuant to subsection (b) and the social security numbers appearing in the records of the State case registry for cases being enforced under the State plan.

"(2) NOTICE OF MATCH.—When an information comparison conducted under paragraph (1) reveals a match with respect to the social security number of an individual required to provide support under a support order, the State Directory of New Hires shall provide the agency administering the State plan approved under this part of the appropriate State with the name, address, and social security number of the employee to whom the social security number is assigned, and the name of, and identifying number assigned under section 6109 of the Internal Revenue Code of 1986 to, the employer.

"(g) TRANSMISSION OF INFORMATION.—

"(1) TRANSMISSION OF WAGE WITHHOLDING NOTICES TO EMPLOYERS.—Within 2 business days after the date information regarding a newly hired employee is entered into the State Directory of New Hires, the State agency enforcing the employee's child support obligation shall transmit a notice to the employer of the employee directing the employer to withhold from the wages of the employee an amount equal to the monthly (or other periodic) child support obligation of the employee, unless the employee's wages are not subject to withholding pursuant to section 466(b)(3).

"(2) TRANSMISSIONS TO THE NATIONAL DIRECTORY OF NEW HIRES.—

"(A) NEW HIRE INFORMATION.—Within 2 business days after the date information regarding a newly hired employee is entered into the State Directory of New Hires, the State Directory of New Hires shall furnish the information to the National Directory of New Hires.

"(B) WAGE AND UNEMPLOYMENT COMPENSATION INFORMATION.—The State Directory of New Hires shall, on a quarterly basis, furnish to the National Directory of New Hires extracts of the reports required under section 303(a)(6) to be made to the Secretary of Labor concerning the wages and unemployment compensation paid to individuals, by such dates, in such format, and containing such information as the Secretary of Health and Human Services shall specify in regulations.

"(3) BUSINESS DAY DEFINED.—As used in this subsection, the term 'business day' means a day on which State offices are open for regular business.

"(h) OTHER USES OF NEW HIRE INFORMATION.—

"(1) LOCATION OF CHILD SUPPORT OBLIGORS.—The agency administering the State plan approved under this part shall use information received pursuant to subsection (f)(2) to locate individuals for purposes of establishing paternity and establishing, modifying, and enforcing child support obligations.

"(2) VERIFICATION OF ELIGIBILITY FOR CERTAIN PROGRAMS.—A State agency responsible for administering a program specified in section 1137(b) shall have access to information reported by employers pursuant to subsection (b) of this section for purposes of verifying eligibility for the program.

"(3) ADMINISTRATION OF EMPLOYMENT SECURITY AND WORKERS' COMPENSATION.—State agencies operating employment security and workers' compensation programs shall have access to information reported by employers pursuant to subsection (b) for the purposes of administering such programs.".

(c) QUARTERLY WAGE REPORTING.—Section 1137(a)(3) (42 U.S.C. 1320b-7(a)(3)) is amended—

(1) by inserting "(including State and local governmental entities)" after "employers"; and

(2) by inserting ", and except that no report shall be filed with respect to an employee of a State agency performing intelligence or counterintelligence functions, if the head of such agency has determined that filing such a report could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission" after "paragraph (2)".

SEC. 914. AMENDMENTS CONCERNING INCOME WITHHOLDING.

(a) MANDATORY INCOME WITHHOLDING.—

(1) IN GENERAL.—Section 466(a)(1) (42 U.S.C. 666(a)(1)) is amended to read as follows:

"(1)(A) Procedures described in subsection (b) for the withholding from income of amounts payable as support in cases subject to enforcement under the State plan.

"(B) Procedures under which the wages of a person with a support obligation imposed by a support order issued (or modified) in the State before October 1, 1996, if not otherwise subject to withholding under subsection (b), shall become subject to withholding as provided in subsection (b) if arrearages occur, without the need for a judicial or administrative hearing.".

(2) CONFORMING AMENDMENTS.—

(A) Section 466(b) (42 U.S.C. 666(b)) is amended in the matter preceding paragraph (1), by striking "subsection (a)(1)" and inserting "subsection (a)(1)(A)".

(B) Section 466(b)(4) (42 U.S.C. 666(b)(4)) is amended to read as follows:

"(4)(A) Such withholding must be carried out in full compliance with all procedural due process requirements of the State, and the State must send notice to each absent parent to whom paragraph (1) applies—

"(i) that the withholding has commenced; and

"(ii) of the procedures to follow if the absent parent desires to contest such withholding on the grounds that the withholding or the amount withheld is improper due to a mistake of fact.

"(B) The notice under subparagraph (A) shall include the information provided to the employer under paragraph (6)(A).".

(C) Section 466(b)(5) (42 U.S.C. 666(b)(5)) is amended by striking all that follows "administered by" and inserting "the State through the State disbursement unit established pursuant to section 454B, in accordance with the requirements of section 454B.".

(D) Section 466(b)(6)(A) (42 U.S.C. 666(b)(6)(A)) is amended—

(i) in clause (i), by striking "to the appropriate agency" and all that follows and inserting "to the State disbursement unit within 2 business days after the date the amount would (but for this subsection) have been paid or credited to the employee, for distribution in accordance with this part.";

(ii) in clause (ii), by inserting "be in a standard format prescribed by the Secretary, and" after "shall"; and

(iii) by adding at the end the following new clause:

"(iii) As used in this subparagraph, the term 'business day' means a day on which State offices are open for regular business.".

(E) Section 466(b)(6)(D) (42 U.S.C. 666(b)(6)(D)) is amended by striking "any employer" and all that follows and inserting "any employer who—

"(i) discharges from employment, refuses to employ, or takes disciplinary action against any absent parent subject to wage withholding required by this subsection because of the existence of such withholding and the obligations or additional obligations which it imposes upon the employer; or

"(ii) fails to withhold support from wages, or to pay such amounts to the State disbursement unit in accordance with this subsection.".

(F) Section 466(b) (42 U.S.C. 666(b)) is amended by adding at the end the following new paragraph:

"(11) Procedures under which the agency administering the State plan approved under this part may execute a withholding order through electronic means and without advance notice to the obligor.".

(b) CONFORMING AMENDMENT.—Section 466(c) (42 U.S.C. 666(c)) is repealed.

SEC. 915. LOCATOR INFORMATION FROM INTERSTATE NETWORKS.

Section 466(a) (42 U.S.C. 666(a)) is amended by adding at the end the following new paragraph:

"(12) Procedures to ensure that all Federal and State agencies conducting activities under this part have access to any system used by the State to locate an individual for purposes relating to motor vehicles or law enforcement.".

SEC. 916. EXPANSION OF THE FEDERAL PARENT LOCATOR SERVICE.

(a) EXPANDED AUTHORITY TO LOCATE INDIVIDUALS AND ASSETS.—Section 453 (42 U.S.C. 653) is amended—

(1) in subsection (a), by striking all that follows "subsection (c))" and inserting ", for the purpose of establishing parentage, establishing, setting the amount of, modifying, or enforcing child support obligations, or enforcing child visitation orders—

"(1) information on, or facilitating the discovery of, the location of any individual—

"(A) who is under an obligation to pay child support or provide child visitation rights;

"(B) against whom such an obligation is sought;

"(C) to whom such an obligation is owed, including the individual's social security number (or numbers), most recent address, and the name, address, and employer identification number of the individual's employer;

"(2) information on the individual's wages (or other income) from, and benefits of, employment (including rights to or enrollment in group health care coverage); and

"(3) information on the type, status, location, and amount of any assets of, or debts owed by or to, any such individual."; and

(2) in subsection (b), in the matter preceding paragraph (1), by striking "social security" and all that follows through "absent parent" and inserting "information described in subsection (a)".

(b) AUTHORIZED PERSON FOR INFORMATION REGARDING VISITATION RIGHTS.—Section 453(c) (42 U.S.C. 653(c)) is amended—

(1) in paragraph (1), by striking "support" and inserting "support or to seek to enforce orders providing child visitation rights";

(2) in paragraph (2), by striking ", or any agent of such court; and" and inserting "or to issue an order against a resident parent for visitation rights, or any agent of such court;";

(3) by striking the period at the end of paragraph (3) and inserting "; and"; and

(4) by adding at the end the following new paragraph:

"(4) the absent parent, only with regard to a court order against a resident parent for child visitation rights.".

(c) REIMBURSEMENT FOR INFORMATION FROM FEDERAL AGENCIES.—Section 453(e)(2) (42 U.S.C. 653(e)(2)) is amended in the 4th sentence by inserting "in an amount which the Secretary determines to be reasonable payment for the information exchange (which amount shall not include payment for the costs of obtaining, compiling, or maintaining the information)" before the period.

(d) REIMBURSEMENT FOR REPORTS BY STATE AGENCIES.—Section 453 (42 U.S.C. 653) is amended by adding at the end the following new subsection:

"(g) The Secretary may reimburse Federal and State agencies for the costs incurred by such entities in furnishing information requested by the Secretary under this section in an amount which the Secretary determines to be reasonable payment for the information exchange (which amount shall not include payment for the costs of obtaining, compiling, or maintaining the information).".

(e) TECHNICAL AMENDMENTS.—

(1) Sections 452(a)(9), 453(a), 453(b), 463(a), 463(e), and 463(f) (42 U.S.C. 652(a)(9), 653(a), 653(b), 663(a), 663(e), and 663(f)) are each amended by inserting "Federal" before "Parent" each place such term appears.

(2) Section 453 (42 U.S.C. 653) is amended in the heading by adding "FEDERAL" before "PARENT".

(f) NEW COMPONENTS.—Section 453 (42 U.S.C. 653), as amended by subsection (d) of this section, is amended by adding at the end the following new subsection:

"(h)(1) Not later than October 1, 1998, in order to assist States in administering programs under State plans approved under this part and programs funded under part A, and for the other purposes specified in this section, the Secretary shall establish and maintain in the Federal Parent Locator Service an automated registry (which shall be known as the 'Federal Case Registry of Child Support Orders'), which shall contain abstracts of support orders and other information described in paragraph (2) with respect to each case in each State case registry maintained pursuant to section 454A(e), as furnished (and regularly updated), pursuant to section 454A(f), by State agencies administering programs under this part.

"(2) The information referred to in paragraph (1) with respect to a case shall be such information as the Secretary may specify in regulations (including the names, social security numbers or other uniform identification numbers, and State case identification numbers) to identify the individuals who owe or are owed support (or with respect to or on behalf of whom support obligations are sought to be established), and the State or States which have the case.

"(i)(1) In order to assist States in administering programs under State plans approved under this part and programs funded under part A, and for the other purposes specified in this section, the Secretary shall, not later than October 1, 1996, establish and maintain in the Federal Parent Locator Service an automated directory to be known as the National Directory of New Hires, which shall contain the information supplied pursuant to section 453A(g)(2).

"(2) Information shall be entered into the data base maintained by the National Directory of New Hires within 2 business days of receipt pursuant to section 453A(g)(2).

"(3) The Secretary of the Treasury shall have access to the information in the National Directory of New Hires for purposes of administering section 32 of the Internal Revenue Code of 1986, or the advance payment of the earned income tax credit under section 3507 of such Code, and verifying a claim with respect to employment in a tax return.

"(4) The Secretary shall maintain within the National Directory of New Hires a list of multistate employers that report information regarding newly hired employees pursuant to section 453A(b)(1)(B), and the State which each such employer has designated to receive such information.

"(j)(1)(A) The Secretary shall transmit information on individuals and employers maintained under this section to the Social Security Administration to the extent necessary for verification in accordance with subparagraph (B).

"(B) The Social Security Administration shall verify the accuracy of, correct, or supply to the extent possible, and report to the Secretary, the following information supplied by the Secretary pursuant to subparagraph (A):

"(i) The name, social security number, and birth date of each such individual.

"(ii) The employer identification number of each such employer.

"(2) For the purpose of locating individuals in a paternity establishment case or a case involving the establishment, modification, or enforcement of a support order, the Secretary shall—

"(A) compare information in the National Directory of New Hires against information in the support case abstracts in the Federal Case Registry of Child Support Orders not less often than every 2 business days; and

"(B) within 2 such days after such a comparison reveals a match with respect to an individual, report the information to the State agency responsible for the case.

"(3) To the extent and with the frequency that the Secretary determines to be effective in assisting States to carry out their responsibilities under programs operated under this part and programs funded under part A, the Secretary shall—

"(A) compare the information in each component of the Federal Parent Locator Service maintained under this section against the information in each other such component (other than the comparison required by paragraph (2)), and report instances in which such a comparison reveals a match with respect to an individual to State agencies operating such programs; and

"(B) disclose information in such registries to such State agencies.

"(4) The National Directory of New Hires shall provide the Commissioner of Social Security with all information in the National Directory, which shall be used to determine the accuracy of payments under the supplemental security income program under title XVI and in connection with benefits under title II.

"(5) The Secretary may provide access to information reported by employers pursuant to section 453A(b) for research purposes found by the Secretary to be likely to contribute to achieving the purposes of part A or this part, but without personal identifiers.

"(k)(1) The Secretary shall reimburse the Commissioner of Social Security, at a rate negotiated between the Secretary and the Commissioner, for the costs incurred by the Commissioner in performing the verification services described in subsection (j).

"(2) The Secretary shall reimburse costs incurred by State directories of new hires in furnishing information as required by subsection (j)(3), at rates which the Secretary determines to be reasonable (which rates shall not include payment for the costs of obtaining, compiling, or maintaining such information).

"(3) A State or Federal agency that receives information from the Secretary pursuant to this section shall reimburse the Secretary for costs incurred by the Secretary in furnishing the information, at rates which the Secretary determines to be reasonable (which rates shall include payment for the costs of obtaining, verifying, maintaining, and comparing the information).

"(l) Information in the Federal Parent Locator Service, and information resulting from comparisons using such information, shall not be used or disclosed except as expressly provided in this section, subject to section 6103 of the Internal Revenue Code of 1986.

"(m) The Secretary shall establish and implement safeguards with respect to the entities established under this section designed to—

"(1) ensure the accuracy and completeness of information in the Federal Parent Locator Service; and

"(2) restrict access to confidential information in the Federal Parent Locator Service to authorized persons, and restrict use of such information to authorized purposes.

"(n) Each department, agency, and instrumentality of the United States shall on a quarterly basis report to the Federal Parent Locator Service the name and social security number of each employee and the wages paid to the employee during the previous quarter, except that no report shall be filed with respect to an employee of a department, agency, or instrumentality performing intelligence or counterintelligence functions, if the head of such department, agency, or instrumentality has determined that filing such a report could endanger the safety of the employee or compromise an ongoing investigation or intellgence mission.".

(f) CONFORMING AMENDMENTS.—

(1) TO PART D OF TITLE IV OF THE SOCIAL SECURITY ACT.—Section 454(8)(B) (42 U.S.C. 654(8)(B)) is amended to read as follows:

"(B) the Federal Parent Locator Service established under section 453;".

(2) TO FEDERAL UNEMPLOYMENT TAX ACT.—Section 3304(a)(16) of the Internal Revenue Code of 1986 is amended—

(A) by striking "Secretary of Health, Education, and Welfare" each place such term appears and inserting "Secretary of Health and Human Services";

(B) in subparagraph (B), by striking "such information" and all that follows and inserting "information furnished under subparagraph (A) or (B) is used only for the purposes authorized under such subparagraph;";

(C) by striking "and" at the end of subparagraph (A);

(D) by redesignating subparagraph (B) as subparagraph (C); and

(E) by inserting after subparagraph (A) the following new subparagraph:

"(B) wage and unemployment compensation information contained in the records of such agency shall be furnished to the Secretary of Health and Human Services (in accordance with regulations promulgated by such Secretary) as necessary for the purposes of the National Directory of New Hires established under section 453(i) of the Social Security Act, and".

(3) TO STATE GRANT PROGRAM UNDER TITLE III OF THE SOCIAL SECURITY ACT.—Subsection (h) of section 303 (42 U.S.C. 503) is amended to read as follows:

"(h)(1) The State agency charged with the administration of the State law shall, on a reimbursable basis—

"(A) disclose quarterly, to the Secretary of Health and Human Services wage and claim information, as required pursuant to section 453(i)(1), contained in the records of such agency;

"(B) ensure that information provided pursuant to subparagraph (A) meets such standards relating to correctness and verification as the Secretary of Health and Human Services, with the concurrence of the Secretary of Labor, may find necessary; and

"(C) establish such safeguards as the Secretary of Labor determines are necessary to insure that information disclosed under subparagraph (A) is used only for purposes of section 453(i)(1) in carrying out the child support enforcement program under title IV.

"(2) Whenever the Secretary of Labor, after reasonable notice and opportunity for hearing to the State agency charged with the administration of the State law, finds that there is a failure to comply substantially with the requirements of paragraph (1), the Secretary of Labor shall notify such State agency that further payments will not be made to the State until the Secretary of Labor is satisfied that there is no longer any such failure. Until the Secretary of Labor is so satisfied, the Secretary shall make no future certification to the Secretary of the Treasury with respect to the State.

"(3) For purposes of this subsection—

"(A) the term 'wage information' means information regarding wages paid to an individual, the social security account number of such individual, and the name, address, State, and the Federal employer identification number of the employer paying such wages to such individual; and

"(B) the term 'claim information' means information regarding whether an individual is receiving, has received, or has made application for, unemployment compensation, the amount of any such compensation being received (or to be received by such individual), and the individual's current (or most recent) home address.".

SEC. 917. COLLECTION AND USE OF SOCIAL SECURITY NUMBERS FOR USE IN CHILD SUPPORT ENFORCEMENT.

(a) STATE LAW REQUIREMENT.—Section 466(a) (42 U.S.C. 666(a)), as amended by section 915, is amended by adding at the end the following new paragraph:

"(13) Procedures requiring that the social security number of—

"(A) any applicant for a professional license, commercial driver's license, occupational license, or marriage license be recorded on the application;

"(B) any individual who is subject to a divorce decree, support order, or paternity determination or acknowledgment be placed in the records relating to the matter; and

"(C) any individual who has died be placed in the records relating to the death and be recorded on the death certificate.".

(b) CONFORMING AMENDMENTS.—Section 205(c)(2)(C) (42 U.S.C. 405(c)(2)(C)), as amended by section 321(a)(9) of the Social Security Independence and Program Improvements Act of 1994, is amended—

(1) in clause (i), by striking "may require" and inserting "shall require";

(2) in clause (ii), by inserting after the 1st sentence the following: "In the administration of any law involving the issuance of a marriage certificate or license, each State shall require each party named in the certificate or license to furnish to the State (or political subdivision thereof), or any State agency having administrative responsibility for the law involved, the social security number of the party.";

(3) in clause (vi), by striking "may" and inserting "shall"; and

(4) by adding at the end the following new clauses:

"(x) An agency of a State (or a political subdivision thereof) charged with the administration of any law concerning the issuance or renewal of a license, certificate, permit, or other authorization to engage in a profession, an occupation, or a commercial activity shall require all applicants for issuance or renewal of the license, certificate, permit, or other authorization to provide the applicant's social security number to the agency for the purpose of administering such laws, and for the purpose of responding to requests for information from an agency operating pursuant to part D of title IV.

"(xi) All divorce decrees, support orders, and paternity determinations issued, and all paternity acknowledgments made, in each State shall include the social security number of each party to the decree, order, determination, or acknowledgement in the records relating to the matter.".

Subtitle C—Streamlining and Uniformity of Procedures

SEC. 921. ADOPTION OF UNIFORM STATE LAWS.

Section 466 (42 U.S.C. 666) is amended by adding at the end the following new subsection:

"(f)(1) In order to satisfy section 454(20)(A) on or after January 1, 1997, each State must have in effect the Uniform Interstate Family Support Act, as approved by the National Conference of Commissioners on Uniform State Laws in August 1992 (with the modifications and additions specified in this subsection), and the procedures required to implement such Act.

"(2) The State law enacted pursuant to paragraph (1) may be applied to any case involving an order which is established or modified in a State and which is sought to be modified or enforced in another State.

"(3) The State law enacted pursuant to paragraph (1) of this subsection shall contain the following provision in lieu of section 611(a)(1) of the Uniform Interstate Family Support Act:

"'(1) the following requirements are met:

"'(i) the child, the individual obligee, and the obligor—

"'(I) do not reside in the issuing State; and

"'(II) either reside in this State or are subject to the jurisdiction of this State pursuant to section 201; and

"'(ii) in any case where another State is exercising or seeks to exercise jurisdiction to modify the order, the conditions of section 204 are met to the same extent as required for proceedings to establish orders; or'.

"(4) The State law enacted pursuant to paragraph (1) shall provide that, in any proceeding subject to the law, process may be served (and proved) upon persons in the State by any means acceptable in any State which is the initiating or responding State in the proceeding.".

SEC. 922. IMPROVEMENTS TO FULL FAITH AND CREDIT FOR CHILD SUPPORT ORDERS.

Section 1738B of title 28, United States Code, is amended—

(1) in subsection (a)(2), by striking "subsection (e)" and inserting "subsections (e), (f), and (i)";

(2) in subsection (b), by inserting after the 2nd undesignated paragraph the following:

"'child's home State' means the State in which a child lived with a parent or a person acting as parent for at least 6 consecutive months immediately preceding the time of filing of a petition or comparable pleading for support and, if a child is less than 6 months old, the State in which the child lived from birth with any of them. A period of temporary absence of any of them is counted as part of the 6-month period.";

(3) in subsection (c), by inserting "by a court of a State" before "is made";

(4) in subsection (c)(1), by inserting "and subsections (e), (f), and (g)" after "located";

(5) in subsection (d)—

(A) by inserting "individual" before "contestant"; and

(B) by striking "subsection (e)" and inserting "subsections (e) and (f)";

(6) in subsection (e), by striking "make a modification of a child support order with respect to a child that is made" and inserting "modify a child support order issued";

(7) in subsection (e)(1), by inserting "pursuant to subsection (i)" before the semicolon;

(8) in subsection (e)(2)—

(A) by inserting "individual" before "contestant" each place such term appears; and

(B) by striking "to that court's making the modification and assuming" and inserting "with the State of continuing, exclusive jurisdiction for a court of another State to modify the order and assume";

(9) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively;

(10) by inserting after subsection (e) the following new subsection:

"(f) RECOGNITION OF CHILD SUPPORT ORDERS.—If 1 or more child support orders have been issued in this or another State with regard to an obligor and a child, a court shall apply the following rules in determining which order to recognize for purposes of continuing, exclusive jurisdiction and enforcement:

"(1) If only 1 court has issued a child support order, the order of that court must be recognized.

"(2) If 2 or more courts have issued child support orders for the same obligor and child, and only 1 of the courts would have continuing, exclusive jurisdiction under this section, the order of that court must be recognized.

"(3) If 2 or more courts have issued child support orders for the same obligor and child, and more than 1 of the courts would have continuing, exclusive jurisdiction under this section, an order issued by a court in the current home State of the child must be recognized, but if an order has not been issued in the current home State of the child, the order most recently issued must be recognized.

"(4) If 2 or more courts have issued child support orders for the same obligor and child, and none of the courts would have continuing, exclusive jurisdiction under this section, a court may issue a child support order, which must be recognized.

"(5) The court that has issued an order recognized under this subsection is the court having continuing, exclusive jurisdiction.";

(11) in subsection (g) (as so redesignated)—

(A) by striking "PRIOR" and inserting "MODIFIED"; and

(B) by striking "subsection (e)" and inserting "subsections (e) and (f)";

(12) in subsection (h) (as so redesignated)—

(A) in paragraph (2), by inserting "including the duration of current payments and other obligations of support" before the comma; and

(B) in paragraph (3), by inserting "arrears under" after "enforce"; and

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

"(i) REGISTRATION FOR MODIFICATION.—If there is no individual contestant or child residing in the issuing State, the party or support enforcement agency seeking to modify, or to modify and enforce, a child support order issued in another State shall register that order in a State with jurisdiction over the nonmovant for the purpose of modification.".

SEC. 923. ADMINISTRATIVE ENFORCEMENT IN INTERSTATE CASES.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 915 and 917(a), is amended by adding at the end the following new paragraph:

"(14) Procedures under which—

"(A)(i) the State shall respond within 5 business days to a request made by another State to enforce a support order; and

"(ii) the term 'business day' means a day on which State offices are open for regular business;

"(B) the State may, by electronic or other means, transmit to another State a request for assistance in a case involving the enforcement of a support order, which request—

"(i) shall include such information as will enable the State to which the request is transmitted to compare the information about the case to the information in the data bases of the State; and

"(ii) shall constitute a certification by the requesting State—

"(I) of the amount of support under the order the payment of which is in arrears; and

"(II) that the requesting State has complied with all procedural due process requirements applicable to the case;

"(C) if the State provides assistance to another State pursuant to this paragraph with respect to a case, neither State shall consider the case to be transferred to the caseload of such other State; and

"(D) the State shall maintain records of—

"(i) the number of such requests for assistance received by the State;

"(ii) the number of cases for which the State collected support in response to such a request; and

"(iii) the amount of such collected support.".

SEC. 924. USE OF FORMS IN INTERSTATE ENFORCEMENT.

(a) PROMULGATION.—Section 452(a) (42 U.S.C. 652(a)) is amended—

(1) by striking "and" at the end of paragraph (9);

(2) by striking the period at the end of paragraph (10) and inserting "; and"; and

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

"(11) not later than 60 days after the date of the enactment of the Work Opportunity Act of 1995, establish an advisory committee, which shall include State directors of programs under this part, and not later than June 30, 1996, after consultation with the advisory committee, promulgate forms to be used by States in interstate cases for—

"(A) collection of child support through income withholding;

"(B) imposition of liens; and

"(C) administrative subpoenas.".

(b) USE BY STATES.—Section 454(9) (42 U.S.C. 654(9)) is amended—

(1) by striking "and" at the end of subparagraph (C);

(2) by inserting "and" at the end of subparagraph (D); and

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

"(E) no later than October 1, 1996, in using the forms promulgated pursuant to section 452(a)(11) for income withholding, imposition of liens, and issuance of administrative subpoenas in interstate child support cases;".

SEC. 925. STATE LAWS PROVIDING EXPEDITED PROCEDURES.

(a) STATE LAW REQUIREMENTS.—Section 466 (42 U.S.C. 666), as amended by section 914, is amended—

(1) in subsection (a)(2), by striking the 1st sentence and inserting the following: "Expedited administrative and judicial procedures (including the procedures specified in subsection (c)) for establishing paternity and for establishing, modifying, and enforcing support obligations."; and

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

"(c) The procedures specified in this subsection are the following:

"(1) Procedures which give the State agency the authority to take the following actions relating to establishment or enforcement of support orders, without the necessity of obtaining an order from any other judicial or administrative tribunal, and to recognize and enforce the authority of State agencies of other States) to take the following actions:

"(A) To order genetic testing for the purpose of paternity establishment as provided in section 466(a)(5).

"(B) To subpoena any financial or other information needed to establish, modify, or enforce a support order, and to impose penalties for failure to respond to such a subpoena.

"(C) To require all entities in the State (including for-profit, nonprofit, and governmental employers) to provide promptly, in response to a request by the State agency of that or any other State administering a program under this part, information on the employment, compensation, and benefits of any individual employed by such entity as an employee or contractor, and to sanction failure to respond to any such request.

"(D) To obtain access, subject to safeguards on privacy and information security, to the following records (including automated access, in the case of records maintained in automated data bases):

"(i) Records of other State and local government agencies, including—

"(I) vital statistics (including records of marriage, birth, and divorce);

"(II) State and local tax and revenue records (including information on residence address, employer, income and assets);

"(III) records concerning real and titled personal property;

"(IV) records of occupational and professional licenses, and records concerning the ownership and control of corporations, partnerships, and other business entities;

"(V) employment security records;

"(VI) records of agencies administering public assistance programs;

"(VII) records of the motor vehicle department; and

"(VIII) corrections records.

"(ii) Certain records held by private entities, including—

"(I) customer records of public utilities and cable television companies; and

"(II) information (including information on assets and liabilities) on individuals who owe or are owed support (or against or with respect to whom a support obligation is sought) held by financial institutions (subject to limitations on liability of such entities arising from affording such access).

"(E) In cases where support is subject to an assignment in order to comply with a requirement imposed pursuant to part A or section 1912, or to a requirement to pay through the State disbursement unit established pursuant to section 454B, upon providing notice to obligor and obligee, to direct the obligor or other payor to change the payee to the appropriate government entity.

"(F) To order income withholding in accordance with subsections (a)(1) and (b) of section 466.

"(G) In cases in which there is a support arrearage, to secure assets to satisfy the arrearage by—

"(i) intercepting or seizing periodic or lump-sum payments from—

"(I) a State or local agency, including unemployment compensation, workers' compensation, and other benefits; and

"(II) judgments, settlements, and lotteries;

"(ii) attaching and seizing assets of the obligor held in financial institutions;

"(iii) attaching public and private retirement funds; and

"(iv) imposing liens in accordance with subsection (a)(4) and, in appropriate cases, to force sale of property and distribution of proceeds.

"(H) For the purpose of securing overdue support, to increase the amount of monthly support payments to include amounts for arrearages, subject to such conditions or limitations as the State may provide.

Such procedures shall be subject to due process safeguards, including (as appropriate) requirements for notice, opportunity to contest the action, and opportunity for an appeal on the record to an independent administrative or judicial tribunal.

"(2) The expedited procedures required under subsection (a)(2) shall include the following rules and authority, applicable with respect to all proceedings to establish paternity or to establish, modify, or enforce support orders:

"(A) Procedures under which—

"(i) each party to any paternity or child support proceeding is required (subject to privacy safeguards) to file with the tribunal and the State case registry upon entry of an order, and to update as appropriate, information on location and identity of the party, including social security number, residential and mailing addresses, telephone number, driver's license number, and name, address, and name and telephone number of employer; and

"(ii) in any subsequent child support enforcement action between the parties, upon sufficient showing that diligent effort has been made to ascertain the location of such a party, the tribunal may deem State due process requirements for notice and service of process to be met with respect to the party, upon delivery of written notice to the most recent residential or employer address filed with the tribunal pursuant to clause (i).

"(B) Procedures under which—

"(i) the State agency and any administrative or judicial tribunal with authority to hear child support and paternity cases exerts statewide jurisdiction over the parties; and

"(ii) in a State in which orders are issued by courts or administrative tribunals, a case may be transferred between local jurisdictions in the State without need for any additional filing by the petitioner, or service of process upon the respondent, to retain jurisdiction over the parties.".

(b) AUTOMATION OF STATE AGENCY FUNCTIONS.—Section 454A, as added by section 944(a)(2) and as amended by sections 911 and 912(c), is amended by adding at the end the following new subsection:

"(h) EXPEDITED ADMINISTRATIVE PROCEDURES.—The automated system required by this section shall be used, to the maximum extent feasible, to implement the expedited administrative procedures required by section 466(c).".

Subtitle D—Paternity Establishment

SEC. 931. STATE LAWS CONCERNING PATERNITY ESTABLISHMENT.

(a) STATE LAWS REQUIRED.—Section 466(a)(5) (42 U.S.C. 666(a)(5)) is amended to read as follows:

"(5)(A)(i) Procedures which permit the establishment of the paternity of a child at any time before the child attains 21 years of age.

"(ii) As of August 16, 1984, clause (i) shall also apply to a child for whom paternity has not been established or for whom a paternity action was brought but dismissed because a statute of limitations of less than 21 years was then in effect in the State.

"(B)(i) Procedures under which the State is required, in a contested paternity case, unless otherwise barred by State law, to require the child and all other parties (other than individuals found under section 454(29) to have good cause for refusing to cooperate) to submit to genetic tests upon the request of any such party if the request is supported by a sworn statement by the party—

"(I) alleging paternity, and setting forth facts establishing a reasonable possibility of the requisite sexual contact between the parties; or

"(II) denying paternity, and setting forth facts establishing a reasonable possibility of the nonexistence of sexual contact between the parties.

"(ii) Procedures which require the State agency in any case in which the agency orders genetic testing—

"(I) to pay costs of such tests, subject to recoupment (where the State so elects) from the alleged father if paternity is established; and

"(II) to obtain additional testing in any case where an original test result is contested, upon request and advance payment by the contestant.

"(C)(i) Procedures for a simple civil process for voluntarily acknowledging paternity under which the State must provide that, before a mother and a putative father can sign an acknowledgment of paternity, the mother and the putative father must be given notice, orally and in writing, of the alternatives to, the legal consequences of, and the rights (including, if 1 parent is a minor, any rights afforded due to minority status) and responsibilities that arise from, signing the acknowledgment.

"(ii) Such procedures must include a hospital-based program for the voluntary acknowledgment of paternity focusing on the period immediately before or after the birth of a child.

"(iii)(I) Such procedures must require the State agency responsible for maintaining birth records to offer voluntary paternity establishment services.

"(II)(aa) The Secretary shall prescribe regulations governing voluntary paternity establishment services offered by hospitals and birth record agencies.

"(bb) The Secretary shall prescribe regulations specifying the types of other entities that may offer voluntary paternity establishment services, and governing the provision of such services, which shall include a requirement that such an entity must use the same notice provisions used by, use the same materials used by, provide the personnel providing such services with the same training provided by, and evaluate the provision of such services in the same manner as the provision of such services is evaluated by, voluntary paternity establishment programs of hospitals and birth record agencies.

"(iv) Such procedures must require the State to develop and use an affidavit for the voluntary acknowledgment of paternity which includes the minimum requirements of the affidavit developed by the Secretary under section 452(a)(7) for the voluntary acknowledgment of paternity, and to give full faith and credit to such an affidavit signed in any other State according to its procedures.

"(D)(i) Procedures under which the name of the father shall be included on the record of birth of the child only if the father and mother have signed an acknowledgment of paternity and under which a signed acknowledgment of paternity is considered a legal finding of paternity, subject to the right of any signatory to rescind the acknowledgment within 60 days.

"(ii) Procedures under which, after the 60-day period referred to in clause (i), a signed acknowledgment of paternity may be challenged in court only on the basis of fraud, duress, or material mistake of fact, with the burden of proof upon the challenger, and under which the legal responsibilities (including child support obligations) of any signatory arising from the acknowledgment may not be suspended during the challenge, except for good cause shown.

"(E) Procedures under which judicial or administrative proceedings are not required or permitted to ratify an unchallenged acknowledgment of paternity.

"(F) Procedures—

"(i) requiring the admission into evidence, for purposes of establishing paternity, of the results of any genetic test that is—

"(I) of a type generally acknowledged as reliable by accreditation bodies designated by the Secretary; and

"(II) performed by a laboratory approved by such an accreditation body;

"(ii) requiring an objection to genetic testing results to be made in writing not later than a specified number of days before any hearing at which the results may be introduced into evidence (or, at State option, not later than a specified number of days after receipt of the results); and

"(iii) making the test results admissible as evidence of paternity without the need for foundation testimony or other proof of authenticity or accuracy, unless objection is made.

"(G) Procedures which create a rebuttable or, at the option of the State, conclusive presumption of paternity upon genetic testing results indicating a threshold probability that the alleged father is the father of the child.

"(H) Procedures requiring a default order to be entered in a paternity case upon a showing of service of process on the defendant and any additional showing required by State law.

"(I) Procedures providing that the parties to an action to establish paternity are not entitled to a trial by jury.

"(J) Procedures which require that a temporary order be issued, upon motion by a party, requiring the provision of child support pending an administrative or judicial determination of parentage, where there is clear and convincing evidence of paternity (on the basis of genetic tests or other evidence).

"(K) Procedures under which bills for pregnancy, childbirth, and genetic testing are admissible as evidence without requiring third-party foundation testimony, and shall constitute prima facie evidence of amounts incurred for such services or for testing on behalf of the child.

"(L) Procedures ensuring that the putative father has a reasonable opportunity to initiate a paternity action.

"(M) Procedures under which voluntary acknowledgments and adjudications of paternity by judicial or administrative processes are filed with the State registry of birth records for comparison with information in the State case registry.".

(b) NATIONAL PATERNITY ACKNOWLEDGMENT AFFIDAVIT.—Section 452(a)(7) (42 U.S.C. 652(a)(7)) is amended by inserting ", and develop an affidavit to be used for the voluntary acknowledgment of paternity which shall include the social security number of each parent" before the semicolon.

(c) TECHNICAL AMENDMENT.—Section 468 (42 U.S.C. 668) is amended by striking "a simple civil process for voluntarily acknowledging paternity and".

SEC. 932. OUTREACH FOR VOLUNTARY PATERNITY ESTABLISHMENT.

Section 454(23) (42 U.S.C. 654(23)) is amended by inserting "and will publicize the availability and encourage the use of procedures for voluntary establishment of paternity and child support by means the State deems appropriate" before the semicolon.

SEC. 933. COOPERATION BY APPLICANTS FOR AND RECIPIENTS OF TEMPORARY FAMILY ASSISTANCE.

Section 454 (42 U.S.C. 654), as amended by sections 901(b), 904(a), 912(a), and 913(a), is amended—

(1) by striking "and" at the end of paragraph (27);

(2) by striking the period at the end of paragraph (28) and inserting "; and"; and

(3) by inserting after paragraph (28) the following new paragraph:

"(29) provide that the State agency responsible for administering the State plan—

"(A) shall make the determination (and redetermination at appropriate intervals) as to whether an individual who has applied for or is receiving assistance under the State program funded under part A or the State program under title XIX is cooperating in good faith with the State in establishing the paternity of, or in establishing, modifying, or enforcing a support order for, any child of the individual by providing the State agency with the name of, and such other information as the State agency may require with respect to, the noncustodial parent of the child, subject to such good cause and other exceptions as the State shall establish and taking into account the best interests of the child;

"(B) shall require the individual to supply additional necessary information and appear at interviews, hearings, and legal proceedings;

"(C) shall require the individual and the child to submit to genetic tests pursuant to judicial or administrative order; and

"(D) shall promptly notify the individual and the State agency administering the State program funded under part A and the State agency administering the State program under title XIX of each such determination, and if noncooperation is determined, the basis therefore.".

Subtitle E—Program Administration and Funding

SEC. 941. PERFORMANCE-BASED INCENTIVES AND PENALTIES.

(a) INCENTIVE PAYMENTS.—

(1) IN GENERAL.—Section 458 (42 U.S.C. 658) is amended—

(A) in subsection (a), by striking "aid to families" and all through the end period, and inserting "assistance under a program funded under part A, and regardless of the economic circumstances of their parents, the Secretary shall, from the support collected which would otherwise represent the reimbursement to the Federal government under section 457, pay to each State for each fiscal year, on a quarterly basis (as described in subsection (e)) beginning with the quarter commencing October 1, 1999, an incentive payment in an amount determined under subsections (b) and (c).";

(B) by striking subsections (b) and (c) and inserting the following:

"(b)(1) Not later than 60 days after the date of the enactment of the Work Opportunity Act of 1995, the Secretary shall establish a committee which shall include State directors of programs under this part and which shall develop for the Secretary's approval a formula for the distribution of incentive payments to the States.

"(2) The formula developed and approved under paragraph (1)—

"(A) shall result in a percentage of the collections described in subsection (a) being distributed to each State based on the State's comparative performance in the following areas and any other areas approved by the Secretary under this subsection:

"(i) The IV-D paternity establishment percentage, as defined in section 452(g)(2).

"(ii) The percentage of cases with a support order with respect to which services are being provided under the State plan approved under this part.

"(iii) The percentage of cases with a support order in which child support is paid with respect to which services are being so provided.

"(iv) In cases receiving services under the State plan approved under this part, the amount of child support collected compared to the amount of outstanding child support owed.

"(v) The cost-effectiveness of the State program;

"(B) shall take into consideration—

"(i) the impact that incentives can have on reducing the need to provide public assistance and on permanently removing families from public assistance;

"(ii) the need to balance accuracy and fairness with simplicity of understanding and data gathering;

"(iii) the need to reward performance which improves short- and long-term program outcomes, especially establishing paternity and support orders and encouraging the timely payment of support;

"(iv) the Statewide paternity establishment percentage;

"(v) baseline data on current performance and projected costs of performance increases to assure that top performing States can actually achieve the top incentive levels with a reasonable resource investment;

"(vi) performance outcomes which would warrant an increase in the total incentive payments made to the States; and

"(vii) the use or distribution of any portion of the total incentive payments in excess of the total of the payments which may be distributed under subsection (c);

"(C) shall be determined so as to distribute to the States total incentive payments equal to the total incentive payments for all States in fiscal year 1994, plus a portion of any increase in the reimbursement to the Federal Government under section 457 for fiscal year 1999 or any other increase based on other performance outcomes approved by the Secretary under this subsection;

"(D) shall use a definition of the term 'State' which does not include any area within the jurisdiction of an Indian tribal government; and

"(E) shall use a definition of the term 'Statewide paternity establishment percentage' to mean with respect to a State and a fiscal year—

"(i) the total number of children in the State who were born out of wedlock, who have not attained 1 year of age and for whom paternity is established or acknowledged during the fiscal year; divided by

"(ii) the total number of children born out of wedlock in the State during the fiscal year.

"(c) The total amount of the incentives payment made by the Secretary to a State in a fiscal year shall not exceed 90 percent of the total amounts expended by such State during such year for the operation of the plan approved under section 454, less payments to the State pursuant to section 455 for such year.";

(2) in subsection (d), by striking ", and any amounts" through "shall be excluded".

(b) PAYMENTS TO POLITICAL SUBDIVISIONS.—Section 454(22) (42 U.S.C. 654(22)) is amended by inserting before the semicolon the following: ", but a political subdivision shall not be entitled to receive, and the State may retain, any amount in excess of the amount the political subdivision expends on the State program under this part, less the amount equal to the percentage of that expenditure paid by the Secretary under section 455".

(c) CALCULATION OF IV-D PATERNITY ESTABLISHMENT PERCENTAGE.—

(1) Section 452(g)(1) (42 U.S.C. 652(g)(1)) is amended—

(A) in the matter preceding subparagraph (A) by inserting "its overall performance in child support enforcement is satisfactory (as defined in section 458(b) and regulations of the Secretary), and" after "1994,"; and

(B) in each of subparagraphs (A) and (B), by striking "75" and inserting "90".

(2) Section 452(g)(2)(A) (42 U.S.C. 652(g)(2)(A)) is amended in the matter preceding clause (i)—

(A) by striking "paternity establishment percentage" and inserting "IV-D paternity establishment percentage"; and

(B) by striking "(or all States, as the case may be)".

(3) Section 452(g)(3) (42 U.S.C. 652(g)(3)) is amended—

(A) by striking subparagraph (A) and redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively;

(B) in subparagraph (A) (as so redesignated), by striking "the percentage of children born out-of-wedlock in a State" and inserting "the percentage of children in a State who are born out of wedlock or for whom support has not been established"; and

(C) in subparagraph (B) (as so redesignated)—

(i) by inserting "and overall performance in child support enforcement" after "paternity establishment percentages"; and

(ii) by inserting "and securing support" before the period.

(d) EFFECTIVE DATES.—

(1) INCENTIVE ADJUSTMENTS.—

(A) IN GENERAL.—The amendments made by subsections (a) and (b) shall become effective on the date of the enactment of this Act, except to the extent provided in subparagraph (B).

(B) EXCEPTION.—Section 458 of the Social Security Act, as in effect before the date of the enactment of this section, shall be effective for purposes of incentive payments to States for fiscal years before fiscal year 2000.

(2) PENALTY REDUCTIONS.—The amendments made by subsection (c) shall become effective with respect to calendar quarters beginning on and after the date of the enactment of this Act.

SEC. 942. FEDERAL AND STATE REVIEWS AND AUDITS.

(a) STATE AGENCY ACTIVITIES.—Section 454 (42 U.S.C. 654) is amended—

(1) in paragraph (14), by striking "(14)" and inserting "(14)(A)";

(2) by redesignating paragraph (15) as subparagraph (B) of paragraph (14); and

(3) by inserting after paragraph (14) the following new paragraph:

"(15) provide for—

"(A) a process for annual reviews of and reports to the Secretary on the State program operated under the State plan approved under this part, including such information as may be necessary to measure State compliance with Federal requirements for expedited procedures, using such standards and procedures as are required by the Secretary, under which the State agency will determine the extent to which the program is operated in compliance with this part; and

"(B) a process of extracting from the automated data processing system required by paragraph (16) and transmitting to the Secretary data and calculations concerning the levels of accomplishment (and rates of improvement) with respect to applicable performance indicators (including IV-D paternity establishment percentages and overall performance in child support enforcement) to the extent necessary for purposes of sections 452(g) and 458.".

(b) FEDERAL ACTIVITIES.—Section 452(a)(4) (42 U.S.C. 652(a)(4)) is amended to read as follows:

"(4)(A) review data and calculations transmitted by State agencies pursuant to section 454(15)(B) on State program accomplishments with respect to performance indicators for purposes of subsection (g) of this section and section 458;

"(B) review annual reports submitted pursuant to section 454(15)(A) and, as appropriate, provide to the State comments, recommendations for additional or alternative corrective actions, and technical assistance; and

"(C) conduct audits, in accordance with the Government auditing standards of the Comptroller General of the United States—

"(i) at least once every 3 years (or more frequently, in the case of a State which fails to meet the requirements of this part concerning performance standards and reliability of program data) to assess the completeness, reliability, and security of the data, and the accuracy of the reporting systems, used in calculating performance indicators under subsection (g) of this section and section 458;

"(ii) of the adequacy of financial management of the State program operated under the State plan approved under this part, including assessments of—

"(I) whether Federal and other funds made available to carry out the State program are being appropriately expended, and are properly and fully accounted for; and

"(II) whether collections and disbursements of support payments are carried out correctly and are fully accounted for; and

"(iii) for such other purposes as the Secretary may find necessary;".

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to calendar quarters beginning 12 months or more after the date of the enactment of this Act.

SEC. 943. REQUIRED REPORTING PROCEDURES.

(a) ESTABLISHMENT.—Section 452(a)(5) (42 U.S.C. 652(a)(5)) is amended by inserting ", and establish procedures to be followed by States for collecting and reporting information required to be provided under this part, and establish uniform definitions (including those necessary to enable the measurement of State compliance with the requirements of this part relating to expedited processes) to be applied in following such procedures" before the semicolon.

(b) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by sections 901(b), 904(a), 912(a), 913(a), and 933, is amended—

(1) by striking "and" at the end of paragraph (28);

(2) by striking the period at the end of paragraph (29) and inserting "; and"; and

(3) by adding after paragraph (29) the following new paragraph:

"(30) provide that the State shall use the definitions established under section 452(a)(5) in collecting and reporting information as required under this part.".

SEC. 944. AUTOMATED DATA PROCESSING REQUIREMENTS.

(a) REVISED REQUIREMENTS.—

(1) IN GENERAL.—Section 454(16) (42 U.S.C. 654(16)) is amended—

(A) by striking ", at the option of the State,";

(B) by inserting "and operation by the State agency" after "for the establishment";

(C) by inserting "meeting the requirements of section 454A" after "information retrieval system";

(D) by striking "in the State and localities thereof, so as (A)" and inserting "so as";

(E) by striking "(i)"; and

(F) by striking "(including" and all that follows and inserting a semicolon.

(2) AUTOMATED DATA PROCESSING.—Part D of title IV (42 U.S.C. 651-669) is amended by inserting after section 454 the following new section:

"SEC. 454A. AUTOMATED DATA PROCESSING.

"(a) IN GENERAL.—In order for a State to meet the requirements of this section, the State agency administering the State program under this part shall have in operation a single statewide automated data processing and information retrieval system which has the capability to perform the tasks specified in this section with the frequency and in the manner required by or under this part.

"(b) PROGRAM MANAGEMENT.—The automated system required by this section shall perform such functions as the Secretary may specify relating to management of the State program under this part, including—

"(1) controlling and accounting for use of Federal, State, and local funds in carrying out the program; and

"(2) maintaining the data necessary to meet Federal reporting requirements under this part on a timely basis.

"(c) CALCULATION OF PERFORMANCE INDICATORS.—In order to enable the Secretary to determine the incentive and penalty adjustments required by sections 452(g) and 458, the State agency shall—

"(1) use the automated system—

"(A) to maintain the requisite data on State performance with respect to paternity establishment and child support enforcement in the State; and

"(B) to calculate the IV-D paternity establishment percentage and overall performance in child support enforcement for the State for each fiscal year; and

"(2) have in place systems controls to ensure the completeness and reliability of, and ready access to, the data described in paragraph (1)(A), and the accuracy of the calculations described in paragraph (1)(B).

"(d) INFORMATION INTEGRITY AND SECURITY.—The State agency shall have in effect safeguards on the integrity, accuracy, and completeness of, access to, and use of data in the automated system required by this section, which shall include the following (in addition to such other safeguards as the Secretary may specify in regulations):

"(1) POLICIES RESTRICTING ACCESS.—Written policies concerning access to data by State agency personnel, and sharing of data with other persons, which—

"(A) permit access to and use of data only to the extent necessary to carry out the State program under this part; and

"(B) specify the data which may be used for particular program purposes, and the personnel permitted access to such data.

"(2) SYSTEMS CONTROLS.—Systems controls (such as passwords or blocking of fields) to ensure strict adherence to the policies described in paragraph (1).

"(3) MONITORING OF ACCESS.—Routine monitoring of access to and use of the automated system, through methods such as audit trails and feedback mechanisms, to guard against and promptly identify unauthorized access or use.

"(4) TRAINING AND INFORMATION.—Procedures to ensure that all personnel (including State and local agency staff and contractors) who may have access to or be required to use confidential program data are informed of applicable requirements and penalties (including those in section 6103 of the Internal Revenue Code of 1986), and are adequately trained in security procedures.

"(5) PENALTIES.—Administrative penalties (up to and including dismissal from employment) for unauthorized access to, or disclosure or use of, confidential data.".

(3) REGULATIONS.—The Secretary of Health and Human Services shall prescribe final regulations for implementation of section 454A of the Social Security Act not later than 2 years after the date of the enactment of this Act.

(4) IMPLEMENTATION TIMETABLE.—Section 454(24) (42 U.S.C. 654(24)), as amended by sections 904(a)(2) and 912(a)(1), is amended to read as follows:

"(24) provide that the State will have in effect an automated data processing and information retrieval system—

"(A) by October 1, 1997, which meets all requirements of this part which were enacted on or before the date of enactment of the Family Support Act of 1988; and

"(B) by October 1, 1999, which meets all requirements of this part enacted on or before the date of the enactment of the Work Opportunity Act of 1995, except that such deadline shall be extended by 1 day for each day (if any) by which the Secretary fails to meet the deadline imposed by section 944(a)(3) of the Work Opportunity Act of 1995.".

(b) SPECIAL FEDERAL MATCHING RATE FOR DEVELOPMENT COSTS OF AUTOMATED SYSTEMS.—

(1) IN GENERAL.—Section 455(a) (42 U.S.C. 655(a)) is amended—

(A) in paragraph (1)(B)—

(i) by striking "90 percent" and inserting "the percent specified in paragraph (3)";

(ii) by striking "so much of"; and

(iii) by striking "which the Secretary" and all that follows and inserting ", and"; and

(B) by adding at the end the following new paragraph:

"(3)(A) The Secretary shall pay to each State, for each quarter in fiscal years 1996 and 1997, 90 percent of so much of the State expenditures described in paragraph (1)(B) as the Secretary finds are for a system meeting the requirements specified in section 454(16) (as in effect on the day before the date of the enactment of the Work Opportunity Act of 1995), but limited to the amount approved for States in the advance planning documents of such States submitted before May 1, 1995.

"(B)(i) The Secretary shall pay to each State, for each quarter in fiscal years 1997 through 2001, the percentage specified in clause (ii) of so much of the State expenditures described in paragraph (1)(B) as the Secretary finds are for a system meeting the requirements of sections 454(16) and 454A.

"(ii) The percentage specified in this clause is the greater of—

"(I) 80 percent; or

"(II) the percentage otherwise applicable to Federal payments to the State under subparagraph (A) (as adjusted pursuant to section 458).".

(2) TEMPORARY LIMITATION ON PAYMENTS UNDER SPECIAL FEDERAL MATCHING RATE.—

(A) IN GENERAL.—The Secretary of Health and Human Services may not pay more than $260,000,000 in the aggregate under section 455(a)(3) of the Social Security Act for fiscal years 1996, 1997, 1998, 1999, and 2000.

(B) ALLOCATION OF LIMITATION AMONG STATES.—The total amount payable to a State under section 455(a)(3) of such Act for fiscal years 1996, 1997, 1998, 1999, and 2000 shall not exceed the limitation determined for the State by the Secretary of Health and Human Services in regulations.

(C) ALLOCATION FORMULA.—The regulations referred to in subparagraph (B) shall prescribe a formula for allocating the amount specified in subparagraph (A) among States with plans approved under part D of title IV of the Social Security Act, which shall take into account—

(i) the relative size of State caseloads under such part; and

(ii) the level of automation needed to meet the automated data processing requirements of such part.

(c) CONFORMING AMENDMENT.—Section 123(c) of the Family Support Act of 1988 (102 Stat. 2352; Public Law 100-485) is repealed.

SEC. 945. TECHNICAL ASSISTANCE.

(a) FOR TRAINING OF FEDERAL AND STATE STAFF, RESEARCH AND DEMONSTRATION PROGRAMS, AND SPECIAL PROJECTS OF REGIONAL OR NATIONAL SIGNIFICANCE.—Section 452 (42 U.S.C. 652) is amended by adding at the end the following new subsection:

"(j) Out of any money in the Treasury of the United States not otherwise appropriated, there is hereby appropriated to the Secretary for each fiscal year an amount equal to 1 percent of the total amount paid to the Federal Government pursuant to section 457(a) during the immediately preceding fiscal year (as determined on the basis of the most recent reliable data available to the Secretary as of the end of the 3rd calendar quarter following the end of such preceding fiscal year), to cover costs incurred by the Secretary for—

"(1) information dissemination and technical assistance to States, training of State and Federal staff, staffing studies, and related activities needed to improve programs under this part (including technical assistance concerning State automated systems required by this part); and

"(2) research, demonstration, and special projects of regional or national significance relating to the operation of State programs under this part.".

(b) OPERATION OF FEDERAL PARENT LOCATOR SERVICE.—Section 453 (42 U.S.C. 653), as amended by section 916(f), is amended by adding at the end the following new subsection:

"(n) Out of any money in the Treasury of the United States not otherwise appropriated, there is hereby appropriated to the Secretary for each fiscal year an amount equal to 2 percent of the total amount paid to the Federal Government pursuant to section 457(a) during the immediately preceding fiscal year (as determined on the basis of the most recent reliable data available to the Secretary as of the end of the 3rd calendar quarter following the end of such preceding fiscal year), to cover costs incurred by the Secretary for operation of the Federal Parent Locator Service under this section, to the extent such costs are not recovered through user fees.".

SEC. 946. REPORTS AND DATA COLLECTION BY THE SECRETARY.

(a) ANNUAL REPORT TO CONGRESS.—

(1) Section 452(a)(10)(A) (42 U.S.C. 652(a)(10)(A)) is amended—

(A) by striking "this part;" and inserting "this part, including—"; and

(B) by adding at the end the following new clauses:

"(i) the total amount of child support payments collected as a result of services furnished during the fiscal year to individuals receiving services under this part;

"(ii) the cost to the States and to the Federal Government of so furnishing the services; and

"(iii) the number of cases involving families—

"(I) who became ineligible for assistance under State programs funded under part A during a month in the fiscal year; and

"(II) with respect to whom a child support payment was received in the month;".

(2) Section 452(a)(10)(C) (42 U.S.C. 652(a)(10)(C)) is amended—

(A) in the matter preceding clause (i)—

(i) by striking "with the data required under each clause being separately stated for cases" and inserting "separately stated for (1) cases";

(ii) by striking "cases where the child was formerly receiving" and inserting "or formerly received";

(iii) by inserting "or 1912" after "471(a)(17)"; and

(iv) by inserting "(2)" before "all other";

(B) in each of clauses (i) and (ii), by striking ", and the total amount of such obligations";

(C) in clause (iii), by striking "described in" and all that follows and inserting "in which support was collected during the fiscal year;";

(D) by striking clause (iv); and

(E) by redesignating clause (v) as clause (vii), and inserting after clause (iii) the following new clauses:

"(iv) the total amount of support collected during such fiscal year and distributed as current support;

"(v) the total amount of support collected during such fiscal year and distributed as arrearages;

"(vi) the total amount of support due and unpaid for all fiscal years; and".

(3) Section 452(a)(10)(G) (42 U.S.C. 652(a)(10)(G)) is amended by striking "on the use of Federal courts and".

(4) Section 452(a)(10) (42 U.S.C. 652(a)(10)) is amended—

(A) in subparagraph (H), by striking "and";

(B) in subparagraph (I), by striking the period and inserting "; and"; and

(C) by inserting after subparagraph (I) the following new subparagraph:

"(J) compliance, by State, with the standards established pursuant to subsections (h) and (i).".

(5) Section 452(a)(10) (42 U.S.C. 652(a)(10)) is amended by striking all that follows subparagraph (J), as added by paragraph (4).

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall be effective with respect to fiscal year 1996 and succeeding fiscal years.

Subtitle F—Establishment and Modification of Support Orders

SEC. 951. NATIONAL CHILD SUPPORT GUIDELINES COMMISSION.

(a) ESTABLISHMENT.—There is hereby established a commission to be known as the National Child Support Guidelines Commission (in this section referred to as the "Commission").

(b) GENERAL DUTIES.—

(1) IN GENERAL.—The Commission shall determine—

(A) whether it is appropriate to develop a national child support guideline for consideration by the Congress or for adoption by individual States; or

(B) based on a study of various guideline models, the benefits and deficiencies of such models, and any needed improvements.

(2) DEVELOPMENT OF MODELS.—If the Commission determines under paragraph (1)(A) that a national child support guideline is needed or under paragraph (1)(B) that improvements to guideline models are needed, the Commission shall develop such national guideline or improvements.

(c) MATTERS FOR CONSIDERATION BY THE COMMISSION.—In making the recommendations concerning guidelines required under subsection (b), the Commission shall consider—

(1) the adequacy of State child support guidelines established pursuant to section 467;

(2) matters generally applicable to all support orders, including—

(A) the feasibility of adopting uniform terms in all child support orders;

(B) how to define income and under what circumstances income should be imputed; and

(C) tax treatment of child support payments;

(3) the appropriate treatment of cases in which either or both parents have financial obligations to more than 1 family, including the effect (if any) to be given to—

(A) the income of either parent's spouse; and

(B) the financial responsibilities of either parent for other children or stepchildren;

(4) the appropriate treatment of expenses for child care (including care of the children of either parent, and work-related or job-training-related child care);

(5) the appropriate treatment of expenses for health care (including uninsured health care) and other extraordinary expenses for children with special needs;

(6) the appropriate duration of support by 1 or both parents, including—

(A) support (including shared support) for postsecondary or vocational education; and

(B) support for disabled adult children;

(7) procedures to automatically adjust child support orders periodically to address changed economic circumstances, including changes in the Consumer Price Index or either parent's income and expenses in particular cases;

(8) procedures to help noncustodial parents address grievances regarding visitation and custody orders to prevent such parents from withholding child support payments until such grievances are resolved; and

(9) whether, or to what extent, support levels should be adjusted in cases in which custody is shared or in which the noncustodial parent has extended visitation rights.

(d) MEMBERSHIP.—

(1) NUMBER; APPOINTMENT.—

(A) IN GENERAL.—The Commission shall be composed of 12 individuals appointed not later than January 15, 1997, of which—

(i) 2 shall be appointed by the Chairman of the Committee on Finance of the Senate, and 1 shall be appointed by the ranking minority member of the Committee;

(ii) 2 shall be appointed by the Chairman of the Committee on Ways and Means of the House of Representatives, and 1 shall be appointed by the ranking minority member of the Committee; and

(iii) 6 shall be appointed by the Secretary of Health and Human Services.

(B) QUALIFICATIONS OF MEMBERS.—Members of the Commission shall have expertise and experience in the evaluation and development of child support guidelines. At least 1 member shall represent advocacy groups for custodial parents, at least 1 member shall represent advocacy groups for noncustodial parents, and at least 1 member shall be the director of a State program under part D of title IV of the Social Security Act.

(2) TERMS OF OFFICE.—Each member shall be appointed for a term of 2 years. A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(e) COMMISSION POWERS, COMPENSATION, ACCESS TO INFORMATION, AND SUPERVISION.—The 1st sentence of subparagraph (C), the 1st and 3rd sentences of subparagraph (D), subparagraph (F) (except with respect to the conduct of medical studies), clauses (ii) and (iii) of subparagraph (G), and subparagraph (H) of section 1886(e)(6) of the Social Security Act shall apply to the Commission in the same manner in which such provisions apply to the Prospective Payment Assessment Commission.

(f) REPORT.—Not later than 2 years after the appointment of members, the Commission shall submit to the President, the Committee on Ways and Means of the House of Representatives, and the Committee on Finance of the Senate, a recommended national child support guideline and a final assessment of issues relating to such a proposed national child support guideline.

(g) TERMINATION.—The Commission shall terminate 6 months after the submission of the report described in subsection (e).

SEC. 952. SIMPLIFIED PROCESS FOR REVIEW AND ADJUSTMENT OF CHILD SUPPORT ORDERS.

Section 466(a)(10) (42 U.S.C. 666(a)(10)) is amended to read as follows:

"(10) Procedures under which the State shall review and adjust each support order being enforced under this part upon the request of either parent or the State if there is an assignment. Such procedures shall provide the following:

"(A) The State shall review and, as appropriate, adjust the support order every 3 years, taking into account the best interests of the child involved.

"(B)(i) The State may elect to review and, if appropriate, adjust an order pursuant to subparagraph (A) by—

"(I) reviewing and, if appropriate, adjusting the order in accordance with the guidelines established pursuant to section 467(a) if the amount of the child support award under the order differs from the amount that would be awarded in accordance with the guidelines; or

"(II) applying a cost-of-living adjustment to the order in accordance with a formula developed by the State and permit either party to contest the adjustment, within 30 days after the date of the notice of the adjustment, by making a request for review and, if appropriate, adjustment of the order in accordance with the child support guidelines established pursuant to section 467(a).

"(ii) Any adjustment under clause (i) shall be made without a requirement for proof or showing of a change in circumstances.

"(C) The State may use automated methods (including automated comparisons with wage or State income tax data) to identify orders eligible for review, conduct the review, identify orders eligible for adjustment, and apply the appropriate adjustment to the orders eligible for adjustment under the threshold established by the State.

"(D)(i) The State shall, at the request of either parent subject to such an order or of any State child support enforcement agency, review and, if appropriate, adjust the order in accordance with the guidelines established pursuant to section 467(a) based upon a substantial change in the circumstances of either parent.

"(ii) The State shall provide notice to the parents subject to such an order informing them of their right to request the State to review and, if appropriate, adjust the order pursuant to clause (i). The notice may be included in the order.".

SEC. 953. FURNISHING CONSUMER REPORTS FOR CERTAIN PURPOSES RELATING TO CHILD SUPPORT.

Section 604 of the Fair Credit Reporting Act (15 U.S.C. 1681b) is amended by adding at the end the following new paragraphs:

"(4) In response to a request by the head of a State or local child support enforcement agency (or a State or local government official authorized by the head of such an agency), if the person making the request certifies to the consumer reporting agency that—

"(A) the consumer report is needed for the purpose of establishing an individual's capacity to make child support payments or determining the appropriate level of such payments;

"(B) the paternity of the consumer for the child to which the obligation relates has been established or acknowledged by the consumer in accordance with State laws under which the obligation arises (if required by those laws);

"(C) the person has provided at least 10 days' prior 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

"(D) the consumer report will be kept confidential, will be used solely for a purpose described in subparagraph (A), and will not be used in connection with any other civil, administrative, or criminal proceeding, or for any other purpose.

"(5) To an agency administering a State plan under section 454 of the Social Security Act (42 U.S.C. 654) for use to set an initial or modified child support award.".

SEC. 954. NONLIABILITY FOR DEPOSITORY INSTITUTIONS PROVIDING FINANCIAL RECORDS TO STATE CHILD SUPPORT ENFORCEMENT AGENCIES IN CHILD SUPPORT CASES.

(a) IN GENERAL.—Notwithstanding any other provision of Federal or State law, a depository institution shall not be liable under any Federal or State law to any person for disclosing any financial record of an individual to a State child support enforcement agency attempting to establish, modify, or enforce a child support obligation of such individual.

(b) PROHIBITION OF DISCLOSURE OF FINANCIAL RECORD OBTAINED BY STATE CHILD SUPPORT ENFORCEMENT AGENCY.—A State child support enforcement agency which obtains a financial record of an individual from a financial institution pursuant to subsection (a) may disclose such financial record only for the purpose of, and to the extent necessary in, establishing, modifying, or enforcing a child support obligation of such individual.

(c) CIVIL DAMAGES FOR UNAUTHORIZED DISCLOSURE.—

(1) DISCLOSURE BY STATE OFFICER OR EMPLOYEE.—If any person knowingly, or by reason of negligence, discloses a financial record of an individual in violation of subsection (b), such individual may bring a civil action for damages against such person in a district court of the United States.

(2) NO LIABILITY FOR GOOD FAITH BUT ERRONEOUS INTERPRETATION.—No liability shall arise under this subsection with respect to any disclosure which results from a good faith, but erroneous, interpretation of subsection (b).

(3) DAMAGES.—In any action brought under paragraph (1), upon a finding of liability on the part of the defendant, the defendant shall be liable to the plaintiff in an amount equal to the sum of—

(A) the greater of—

(i) $1,000 for each act of unauthorized disclosure of a financial record with respect to which such defendant is found liable; or

(ii) the sum of—

(I) the actual damages sustained by the plaintiff as a result of such unauthorized disclosure; plus

(II) in the case of a willful disclosure or a disclosure which is the result of gross negligence, punitive damages; plus

(B) the costs (including attorney's fees) of the action.

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

(1) The term "depository institution" means—

(A) a depository institution, as defined in section 3(c) of the Federal Deposit Insurance Act (12 U.S.C. 1813(c));

(B) an institution-affiliated party, as defined in section 3(u) of such Act (12 U.S.C. 1813(v)); and

(C) any Federal credit union or State credit union, as defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1752), including an institution-affiliated party of such a credit union, as defined in section 206(r) of such Act (12 U.S.C. 1786(r)).

(2) The term "financial record" has the meaning given such term in section 1101 of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401).

(3) The term "State child support enforcement agency" means a State agency which administers a State program for establishing and enforcing child support obligations.

Subtitle G—Enforcement of Support Orders

SEC. 961. INTERNAL REVENUE SERVICE COLLECTION OF ARREARAGES.

(a) AMENDMENT TO INTERNAL REVENUE CODE.—Section 6305(a) of the Internal Revenue Code of 1986 (relating to collection of certain liability) is amended—

(1) by striking "and" at the end of paragraph (3);

(2) by striking the period at the end of paragraph (4) and inserting ", and";

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

"(5) no additional fee may be assessed for adjustments to an amount previously certified pursuant to such section 452(b) with respect to the same obligor."; and

(4) by striking "Secretary of Health, Education, and Welfare" each place it appears and inserting "Secretary of Health and Human Services".

(b) EFFECTIVE DATE.—The amendments made by this section shall become effective October 1, 1997.

SEC. 962. AUTHORITY TO COLLECT SUPPORT FROM FEDERAL EMPLOYEES.

(a) CONSOLIDATION AND STREAMLINING OF AUTHORITIES.—Section 459 (42 U.S.C. 659) is amended to read as follows:

"SEC. 459. CONSENT BY THE UNITED STATES TO INCOME WITHHOLDING, GARNISHMENT, AND SIMILAR PROCEEDINGS FOR ENFORCEMENT OF CHILD SUPPORT AND ALIMONY OBLIGATIONS.

"(a) CONSENT TO SUPPORT ENFORCEMENT.—Notwithstanding any other provision of law (including section 207 of this Act and section 5301 of title 38, United States Code), effective January 1, 1975, moneys (the entitlement to which is based upon remuneration for employment) due from, or payable by, the United States or the District of Columbia (including any agency, subdivision, or instrumentality thereof) to any individual, including members of the Armed Forces of the United States, shall be subject, in like manner and to the same extent as if the United States or the District of Columbia were a private person, to withholding in accordance with State law enacted pursuant to subsections (a)(1) and (b) of section 466 and regulations of the Secretary under such subsections, and to any other legal process brought, by a State agency administering a program under a State plan approved under this part or by an individual obligee, to enforce the legal obligation of the individual to provide child support or alimony.

"(b) CONSENT TO REQUIREMENTS APPLICABLE TO PRIVATE PERSON.—With respect to notice to withhold income pursuant to subsection (a)(1) or (b) of section 466, or any other order or process to enforce support obligations against an individual (if the order or process contains or is accompanied by sufficient data to permit prompt identification of the individual and the moneys involved), each governmental entity specified in subsection (a) shall be subject to the same requirements as would apply if the entity were a private person, except as otherwise provided in this section.

"(c) DESIGNATION OF AGENT; RESPONSE TO NOTICE OR PROCESS—

"(1) DESIGNATION OF AGENT.—The head of each agency subject to this section shall—

"(A) designate an agent or agents to receive orders and accept service of process in matters relating to child support or alimony; and

"(B) annually publish in the Federal Register the designation of the agent or agents, identified by title or position, mailing address, and telephone number.

"(2) RESPONSE TO NOTICE OR PROCESS.—If an agent designated pursuant to paragraph (1) of this subsection receives notice pursuant to State procedures in effect pursuant to subsection (a)(1) or (b) of section 466, or is effectively served with any order, process, or interrogatory, with respect to an individual's child support or alimony payment obligations, the agent shall—

"(A) as soon as possible (but not later than 15 days) thereafter, send written notice of the notice or service (together with a copy of the notice or service) to the individual at the duty station or last-known home address of the individual;

"(B) within 30 days (or such longer period as may be prescribed by applicable State law) after receipt of a notice pursuant to such State procedures, comply with all applicable provisions of section 466; and

"(C) within 30 days (or such longer period as may be prescribed by applicable State law) after effective service of any other such order, process, or interrogatory, respond to the order, process, or interrogatory.

"(d) PRIORITY OF CLAIMS.—If a governmental entity specified in subsection (a) receives notice or is served with process, as provided in this section, concerning amounts owed by an individual to more than 1 person—

"(1) support collection under section 466(b) must be given priority over any other process, as provided in section 466(b)(7);

"(2) allocation of moneys due or payable to an individual among claimants under section 466(b) shall be governed by section 466(b) and the regulations prescribed under such section; and

"(3) such moneys as remain after compliance with paragraphs (1) and (2) shall be available to satisfy any other such processes on a 1st-come, 1st-served basis, with any such process being satisfied out of such moneys as remain after the satisfaction of all such processes which have been previously served.

"(e) NO REQUIREMENT TO VARY PAY CYCLES.—A governmental entity that is affected by legal process served for the enforcement of an individual's child support or alimony payment obligations shall not be required to vary its normal pay and disbursement cycle in order to comply with the legal process.

"(f) RELIEF FROM LIABILITY.—

"(1) Neither the United States, nor the government of the District of Columbia, nor any disbursing officer shall be liable with respect to any payment made from moneys due or payable from the United States to any individual pursuant to legal process regular on its face, if the payment is made in accordance with this section and the regulations issued to carry out this section.

"(2) No Federal employee whose duties include taking actions necessary to comply with the requirements of subsection (a) with regard to any individual shall be subject under any law to any disciplinary action or civil or criminal liability or penalty for, or on account of, any disclosure of information made by the employee in connection with the carrying out of such actions.

"(g) REGULATIONS.—Authority to promulgate regulations for the implementation of this section shall, insofar as this section applies to moneys due from (or payable by)—

"(1) the United States (other than the legislative or judicial branches of the Federal Government) or the government of the District of Columbia, be vested in the President (or the designee of the President);

"(2) the legislative branch of the Federal Government, be vested jointly in the President pro tempore of the Senate and the Speaker of the House of Representatives (or their designees), and

"(3) the judicial branch of the Federal Government, be vested in the Chief Justice of the United States (or the designee of the Chief Justice).

"(h) MONEYS SUBJECT TO PROCESS.—

"(1) IN GENERAL.—Subject to paragraph (2), moneys paid or payable to an individual which are considered to be based upon remuneration for employment, for purposes of this section—

"(A) consist of—

"(i) compensation paid or payable for personal services of the individual, whether the compensation is denominated as wages, salary, commission, bonus, pay, allowances, or otherwise (including severance pay, sick pay, and incentive pay);

"(ii) periodic benefits (including a periodic benefit as defined in section 228(h)(3)) or other payments—

"(I) under the insurance system established by title II;

"(II) under any other system or fund established by the United States which provides for the payment of pensions, retirement or retired pay, annuities, dependents' or survivors' benefits, or similar amounts payable on account of personal services performed by the individual or any other individual;

"(III) as compensation for death under any Federal program;

"(IV) under any Federal program established to provide 'black lung' benefits; or

"(V) by the Secretary of Veterans Affairs as pension, or as compensation for a service-connected disability or death (except any compensation paid by the Secretary to a member of the Armed Forces who is in receipt of retired or retainer pay if the member has waived a portion of the retired pay of the member in order to receive the compensation); and

"(iii) workers' compensation benefits paid under Federal or State law; but

"(B) do not include any payment—

"(i) by way of reimbursement or otherwise, to defray expenses incurred by the individual in carrying out duties associated with the employment of the individual; or

"(ii) as allowances for members of the uniformed services payable pursuant to chapter 7 of title 37, United States Code, as prescribed by the Secretaries concerned (defined by section 101(5) of such title) as necessary for the efficient performance of duty.

"(2) CERTAIN AMOUNTS EXCLUDED.—In determining the amount of any moneys due from, or payable by, the United States to any individual, there shall be excluded amounts which—

"(A) are owed by the individual to the United States;

"(B) are required by law to be, and are, deducted from the remuneration or other payment involved, including Federal employment taxes, and fines and forfeitures ordered by court-martial;

"(C) are properly withheld for Federal, State, or local income tax purposes, if the withholding of the amounts is authorized or required by law and if amounts withheld are not greater than would be the case if the individual claimed all dependents to which he was entitled (the withholding of additional amounts pursuant to section 3402(i) of the Internal Revenue Code of 1986 may be permitted only when the individual presents evidence of a tax obligation which supports the additional withholding);

"(D) are deducted as health insurance premiums;

"(E) are deducted as normal retirement contributions (not including amounts deducted for supplementary coverage); or

"(F) are deducted as normal life insurance premiums from salary or other remuneration for employment (not including amounts deducted for supplementary coverage).

"(i) DEFINITIONS.—As used in this section:

"(1) UNITED STATES.—The term 'United States' includes any department, agency, or instrumentality of the legislative, judicial, or executive branch of the Federal Government, the United States Postal Service, the Postal Rate Commission, any Federal corporation created by an Act of Congress that is wholly owned by the Federal Government, and the governments of the territories and possessions of the United States.

"(2) CHILD SUPPORT.—The term 'child support', when used in reference to the legal obligations of an individual to provide such support, means periodic payments of funds for the support and maintenance of a child or children with respect to which the individual has such an obligation, and (subject to and in accordance with State law) includes payments to provide for health care, education, recreation, clothing, or to meet other specific needs of such a child or children, and includes attorney's fees, interest, and court costs, when and to the extent that the same are expressly made recoverable as such pursuant to a decree, order, or judgment issued in accordance with applicable State law by a court of competent jurisdiction.

"(3) ALIMONY.—The term 'alimony', when used in reference to the legal obligations of an individual to provide the same, means periodic payments of funds for the support and maintenance of the spouse (or former spouse) of the individual, and (subject to and in accordance with State law) includes separate maintenance, alimony pendente lite, maintenance, and spousal support, and includes attorney's fees, interest, and court costs when and to the extent that the same are expressly made recoverable as such pursuant to a decree, order, or judgment issued in accordance with applicable State law by a court of competent jurisdiction. Such term does not include any payment or transfer of property or its value by an individual to the spouse or a former spouse of the individual in compliance with any community property settlement, equitable distribution of property, or other division of property between spouses or former spouses.

"(4) PRIVATE PERSON.—The term 'private person' means a person who does not have sovereign or other special immunity or privilege which causes the person not to be subject to legal process.

"(5) LEGAL PROCESS.—The term 'legal process' means any writ, order, summons, or other similar process in the nature of garnishment—

"(A) which is issued by—

"(i) a court of competent jurisdiction in any State, territory, or possession of the United States;

"(ii) a court of competent jurisdiction in any foreign country with which the United States has entered into an agreement which requires the United States to honor the process; or

"(iii) an authorized official pursuant to an order of such a court of competent jurisdiction or pursuant to State or local law; and

"(B) which is directed to, and the purpose of which is to compel, a governmental entity which holds moneys which are otherwise payable to an individual to make a payment from the moneys to another party in order to satisfy a legal obligation of the individual to provide child support or make alimony payments.".

(b) CONFORMING AMENDMENTS.—

(1) TO PART D OF TITLE IV.—Sections 461 and 462 (42 U.S.C. 661 and 662) are repealed.

(2) TO TITLE 5, UNITED STATES CODE.—Section 5520a of title 5, United States Code, is amended, in subsections (h)(2) and (i), by striking "sections 459, 461, and 462 of the Social Security Act (42 U.S.C. 659, 661, and 662)" and inserting "section 459 of the Social Security Act (42 U.S.C. 659)".

(c) MILITARY RETIRED AND RETAINER PAY.—

(1) DEFINITION OF COURT.—Section 1408(a)(1) of title 10, United States Code, is amended—

(A) by striking "and" at the end of subparagraph (B);

(B) by striking the period at the end of subparagraph (C) and inserting "; and"; and

(C) by adding after subparagraph (C) the following new subparagraph:

"(D) any administrative or judicial tribunal of a State competent to enter orders for support or maintenance (including a State agency administering a program under a State plan approved under part D of title IV of the Social Security Act), and, for purposes of this subparagraph, the term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.".

(2) DEFINITION OF COURT ORDER.—Section 1408(a)(2) of such title is amended by inserting "or a court order for the payment of child support not included in or accompanied by such a decree or settlement," before "which—".

(3) PUBLIC PAYEE.—Section 1408(d) of such title is amended—

(A) in the heading, by inserting "(OR FOR BENEFIT OF)" before "SPOUSE OR"; and

(B) in paragraph (1), in the 1st sentence, by inserting "(or for the benefit of such spouse or former spouse to a State disbursement unit established pursuant to section 454B of the Social Security Act or other public payee designated by a State, in accordance with part D of title IV of the Social Security Act, as directed by court order, or as otherwise directed in accordance with such part D)" before "in an amount sufficient".

(4) RELATIONSHIP TO PART D OF TITLE IV.—Section 1408 of such title is amended by adding at the end the following new subsection:

"(j) RELATIONSHIP TO OTHER LAWS.—In any case involving an order providing for payment of child support (as defined in section 459(i)(2) of the Social Security Act) by a member who has never been married to the other parent of the child, the provisions of this section shall not apply, and the case shall be subject to the provisions of section 459 of such Act.".

(d) EFFECTIVE DATE.—The amendments made by this section shall become effective 6 months after the date of the enactment of this Act.

SEC. 963. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS OF MEMBERS OF THE ARMED FORCES.

(a) AVAILABILITY OF LOCATOR INFORMATION.—

(1) MAINTENANCE OF ADDRESS INFORMATION.—The Secretary of Defense shall establish a centralized personnel locator service that includes the address of each member of the Armed Forces under the jurisdiction of the Secretary. Upon request of the Secretary of Transportation, addresses for members of the Coast Guard shall be included in the centralized personnel locator service.

(2) TYPE OF ADDRESS.—

(A) RESIDENTIAL ADDRESS.—Except as provided in subparagraph (B), the address for a member of the Armed Forces shown in the locator service shall be the residential address of that member.

(B) DUTY ADDRESS.—The address for a member of the Armed Forces shown in the locator service shall be the duty address of that member in the case of a member—

(i) who is permanently assigned overseas, to a vessel, or to a routinely deployable unit; or

(ii) with respect to whom the Secretary concerned makes a determination that the member's residential address should not be disclosed due to national security or safety concerns.

(3) UPDATING OF LOCATOR INFORMATION.—Within 30 days after a member listed in the locator service establishes a new residential address (or a new duty address, in the case of a member covered by paragraph (2)(B)), the Secretary concerned shall update the locator service to indicate the new address of the member.

(4) AVAILABILITY OF INFORMATION.—The Secretary of Defense shall make information regarding the address of a member of the Armed Forces listed in the locator service available, on request, to the Federal Parent Locator Service established under section 453 of the Social Security Act.

(b) FACILITATING GRANTING OF LEAVE FOR ATTENDANCE AT HEARINGS.—

(1) REGULATIONS.—The Secretary of each military department, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, shall prescribe regulations to

facilitate the granting of leave to a member of the Armed Forces under the jurisdiction of that Secretary in a case in which—

(A) the leave is needed for the member to attend a hearing described in paragraph (2);

(B) the member is not serving in or with a unit deployed in a contingency operation (as defined in section 101 of title 10, United States Code); and

(C) the exigencies of military service (as determined by the Secretary concerned) do not otherwise require that such leave not be granted.

(2) COVERED HEARINGS.—Paragraph (1) applies to a hearing that is conducted by a court or pursuant to an administrative process established under State law, in connection with a civil action—

(A) to determine whether a member of the Armed Forces is a natural parent of a child; or

(B) to determine an obligation of a member of the Armed Forces to provide child support.

(3) DEFINITIONS.—For purposes of this subsection:

(A) The term "court" has the meaning given that term in section 1408(a) of title 10, United States Code.

(B) The term "child support" has the meaning given such term in section 459(i) of the Social Security Act (42 U.S.C. 659(i)).

(c) PAYMENT OF MILITARY RETIRED PAY IN COMPLIANCE WITH CHILD SUPPORT ORDERS.—

(1) DATE OF CERTIFICATION OF COURT ORDER.—Section 1408 of title 10, United States Code, as amended by section 962(c)(4), is amended—

(A) by redesignating subsections (i) and (j) as subsections (j) and (k), respectively; and

(B) by inserting after subsection (h) the following new subsection:

"(i) CERTIFICATION DATE.—It is not necessary that the date of a certification of the authenticity or completeness of a copy of a court order for child support received by the Secretary concerned for the purposes of this section be recent in relation to the date of receipt by the Secretary.".

(2) PAYMENTS CONSISTENT WITH ASSIGNMENTS OF RIGHTS TO STATES.—Section 1408(d)(1) of such title is amended by inserting after the first sentence the following: "In the case of a spouse or former spouse who assigns to a State the rights of the spouse or former spouse to receive support, the Secretary concerned may make the child support payments referred to in the preceding sentence to that State in amounts consistent with that assignment of rights.".

(3) ARREARAGES OWED BY MEMBERS OF THE UNIFORMED SERVICES.—Section 1408(d) of such title is amended by adding at the end the following new paragraph:

"(6) In the case of a court order for which effective service is made on the Secretary concerned on or after the date of the enactment of this paragraph and which provides for payments from the disposable retired pay of a member to satisfy the amount of child support set forth in the order, the authority provided in paragraph (1) to make payments from the disposable retired pay of a member to satisfy the amount of child support set forth in a court order shall apply to payment of any amount of child support arrearages set forth in that order as well as to amounts of child support that currently become due.".

(4) PAYROLL DEDUCTIONS.—The Secretary of Defense shall begin payroll deductions within 30 days after receiving notice of withholding, or for the first pay period that begins after such 30-day period.

SEC. 964. VOIDING OF FRAUDULENT TRANSFERS.

Section 466 (42 U.S.C. 666), as amended by section 921, is amended by adding at the end the following new subsection:

"(g) In order to satisfy section 454(20)(A), each State must have in effect—

"(1)(A) the Uniform Fraudulent Conveyance Act of 1981;

"(B) the Uniform Fraudulent Transfer Act of 1984; or

"(C) another law, specifying indicia of fraud which create a prima facie case that a debtor transferred income or property to avoid payment to a child support creditor, which the Secretary finds affords comparable rights to child support creditors; and

"(2) procedures under which, in any case in which the State knows of a transfer by a child support debtor with respect to which such a prima facie case is established, the State must—

"(A) seek to void such transfer; or

"(B) obtain a settlement in the best interests of the child support creditor.".

SEC. 965. WORK REQUIREMENT FOR PERSONS OWING CHILD SUPPORT.

Section 466(a) of the Social Security Act (42 U.S.C. 666(a)), as amended by sections 901(a), 915, 917(a), and 923, is amended by adding at the end the following new paragraph:

"(16) Procedures requiring the State, in any case in which an individual owes support with respect to a child receiving services under this part, to seek a court order or administrative order that requires the individual to—

"(A) pay such support in accordance with a plan approved by the court; or

"(B) if the individual is not working and is not incapacitated, participate in work activities (including, at State option, work activities as defined in section 482) as the court deems appropriate.".

SEC. 966. DEFINITION OF SUPPORT ORDER.

Section 453 (42 U.S.C. 653) as amended by sections 916 and 945(b), is amended by adding at the end the following new subsection:

"(o) As used in this part, the term 'support order' means a judgment, decree, or order, whether temporary, final, or subject to modification, issued by a court or an administrative agency of competent jurisdiction, for the support and maintenance of a child, including a child who has attained the age of majority under the law of the issuing State, or a child and the parent with whom the child is living, which provides for monetary support, health care, arrearages, or reimbursement, and which may include related costs and fees, interest and penalties, income withholding, attorneys' fees, and other relief.".

SEC. 967. REPORTING ARREARAGES TO CREDIT BUREAUS.

Section 466(a)(7) (42 U.S.C. 666(a)(7)) is amended to read as follows:

"(7)(A) Procedures (subject to safeguards pursuant to subparagraph (B)) requiring the State to report periodically to consumer reporting agencies (as defined in section 603(f) of the Fair Credit Reporting Act (15 U.S.C. 1681a(f)) the name of any absent parent who is delinquent in the payment of support, and the amount of overdue support owed by such parent.

"(B) Procedures ensuring that, in carrying out subparagraph (A), information with respect to an absent parent is reported—

"(i) only after such parent has been afforded all due process required under State law, including notice and a reasonable opportunity to contest the accuracy of such information; and

"(ii) only to an entity that has furnished evidence satisfactory to the State that the entity is a consumer reporting agency.".

SEC. 968. LIENS.

Section 466(a)(4) (42 U.S.C. 666(a)(4)) is amended to read as follows:

"(4) Procedures under which—

"(A) liens arise by operation of law against real and personal property for amounts of overdue support owed by an absent parent who resides or owns property in the State; and

"(B) the State accords full faith and credit to liens described in subparagraph (A) arising in another State, without registration of the underlying order.".

SEC. 969. STATE LAW AUTHORIZING SUSPENSION OF LICENSES.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 915, 917(a), and 923, is amended by adding at the end the following new paragraph:

"(15) Procedures under which the State has (and uses in appropriate cases) authority to withhold or suspend, or to restrict the use of, driver's licenses, professional and occupational licenses, and recreational licenses of individuals owing overdue support or failing, after receiving appropriate notice, to comply with subpoenas or warrants relating to paternity or child support proceedings.".

SEC. 970. DENIAL OF PASSPORTS FOR NONPAYMENT OF CHILD SUPPORT.

(a) HHS CERTIFICATION PROCEDURE.—

(1) SECRETARIAL RESPONSIBILITY.—Section 452 (42 U.S.C. 652), as amended by section 945, is amended by adding at the end the following new subsection:

"(k)(1) If the Secretary receives a certification by a State agency in accordance with the requirements of section 454(31) that an individual owes arrearages of child support in an amount exceeding $5,000, the Secretary shall transmit such certification to the Secretary of State for action (with respect to denial, revocation, or limitation of passports) pursuant to section 470(b) of the Work Opportunity Act of 1995.

"(2) The Secretary shall not be liable to an individual for any action with respect to a certification by a State agency under this section.".

(2) STATE CSE AGENCY RESPONSIBILITY.—Section 454 (42 U.S.C. 654), as amended by sections 901(b), 904(a), 912(b), 913(a), 933, and 943(a), is amended—

(A) by striking "and" at the end of paragraph (29);

(B) by striking the period at the end of paragraph (30) and inserting "; and"; and

(C) by adding after paragraph (30) the following new paragraph:

"(31) provide that the State agency will have in effect a procedure (which may be combined with the procedure for tax refund offset under section 464) for certifying to the Secretary, for purposes of the procedure under section 452(k) (concerning denial of passports), determinations that individuals owe arrearages of child support in an amount exceeding $5,000, under which procedure—

"(A) each individual concerned is afforded notice of such determination and the consequences thereof, and an opportunity to contest the determination; and

"(B) the certification by the State agency is furnished to the Secretary in such format, and accompanied by such supporting documentation, as the Secretary may require.".

(b) STATE DEPARTMENT PROCEDURE FOR DENIAL OF PASSPORTS.—

(1) IN GENERAL.—The Secretary of State shall, upon certification by the Secretary of Health and Human Services transmitted

under section 452(k) of the Social Security Act, refuse to issue a passport to such individual, and may revoke, restrict, or limit a passport issued previously to such individual.

(2) LIMIT ON LIABILITY.—The Secretary of State shall not be liable to an individual for any action with respect to a certification by a State agency under this section.

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall become effective October 1, 1996.

SEC. 971. INTERNATIONAL CHILD SUPPORT ENFORCEMENT.

The Secretary of State is authorized to negotiate reciprocal agreements with foreign nations on behalf of the States, territories, and possessions of the United States regarding the international enforcement of child support obligations and designating the Department of Health and Human Services as the central authority for such enforcement.

Subtitle H—Medical Support

SEC. 975. TECHNICAL CORRECTION TO ERISA DEFINITION OF MEDICAL CHILD SUPPORT ORDER.

(a) IN GENERAL.—Section 609(a)(2)(B) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1169(a)(2)(B)) is amended—

(1) by striking "issued by a court of competent jurisdiction";

(2) by striking the period at the end of clause (ii) and inserting a comma; and

(3) by adding, after and below clause (ii), the following:

"if such judgment, decree, or order (I) is issued by a court of competent jurisdiction or (II) is issued through an administrative process established under State law and has the force and effect of law under applicable State law.".

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on the date of the enactment of this Act.

(2) PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1996.—Any amendment to a plan required to be made by an amendment made by this section shall not be required to be made before the 1st plan year beginning on or after January 1, 1996, if—

(A) during the period after the date before the date of the enactment of this Act and before such 1st plan year, the plan is operated in accordance with the requirements of the amendments made by this section; and

(B) such plan amendment applies retroactively to the period after the date before the date of the enactment of this Act and before such 1st plan year.

A plan shall not be treated as failing to be operated in accordance with the provisions of the plan merely because it operates in accordance with this paragraph.

SEC. 976. ENFORCEMENT OF ORDERS FOR HEALTH CARE COVERAGE.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 915, 917(a), 923, and 968, is amended by adding at the end the following new paragraph:

"(16) Procedures under which all child support orders enforced under this part shall include a provision for the health care coverage of the child, and in the case in which an absent parent provides such coverage and changes employment, and the new employer provides health care coverage, the State agency shall transfer notice of the provision to the employer, which notice shall operate to enroll the child in the absent parent's health plan, unless the absent parent contests the notice.".

Subtitle I—Enhancing Responsibility and Opportunity for Nonresidential Parents

SEC. 981. GRANTS TO STATES FOR ACCESS AND VISITATION PROGRAMS.

Part D of title IV (42 U.S.C. 651–669) is amended by adding at the end the following new section:

"SEC. 469A. GRANTS TO STATES FOR ACCESS AND VISITATION PROGRAMS.

"(a) IN GENERAL.—The Administration for Children and Families shall make grants under this section to enable States to establish and administer programs to support and facilitate absent parents' access to and visitation of their children, by means of activities including mediation (both voluntary and mandatory), counseling, education, development of parenting plans, visitation enforcement (including monitoring, supervision and neutral drop-off and pickup), and development of guidelines for visitation and alternative custody arrangements.

"(b) AMOUNT OF GRANT.—The amount of the grant to be made to a State under this section for a fiscal year shall be an amount equal to the lesser of—

"(1) 90 percent of State expenditures during the fiscal year for activities described in subsection (a); or

"(2) the allotment of the State under subsection (c) for the fiscal year.

"(c) ALLOTMENTS TO STATES.—

"(1) IN GENERAL.—The allotment of a State for a fiscal year is the amount that bears the same ratio to the amount appropriated for grants under this section for the fiscal year as the number of children in the State living with only 1 biological parent bears to the total number of such children in all States.

"(2) MINIMUM ALLOTMENT.—The Administration for Children and Families shall adjust allotments to States under paragraph (1) as necessary to ensure that no State is allotted less than—

"(A) $50,000 for fiscal year 1996 or 1997; or

"(B) $100,000 for any succeeding fiscal year.

"(d) NO SUPPLANTATION OF STATE EXPENDITURES FOR SIMILAR ACTIVITIES.—A State to which a grant is made under this section may not use the grant to supplant expenditures by the State for activities specified in subsection (a), but shall use the grant to supplement such expenditures at a level at least equal to the level of such expenditures for fiscal year 1995.

"(e) STATE ADMINISTRATION.—Each State to which a grant is made under this section—

"(1) may administer State programs funded with the grant, directly or through grants to or contracts with courts, local public agencies, or nonprofit private entities;

"(2) shall not be required to operate such programs on a statewide basis; and

"(3) shall monitor, evaluate, and report on such programs in accordance with regulations prescribed by the Secretary.".

Subtitle J—Effect of Enactment

SEC. 991. EFFECTIVE DATES.

(a) IN GENERAL.—Except as otherwise specifically provided (but subject to subsections (b) and (c))—

(1) the provisions of this title requiring the enactment or amendment of State laws under section 466 of the Social Security Act, or revision of State plans under section 454 of such Act, shall be effective with respect to periods beginning on and after October 1, 1996; and

(2) all other provisions of this title shall become effective upon the date of the enactment of this Act.

(b) GRACE PERIOD FOR STATE LAW CHANGES.—The provisions of this title shall become effective with respect to a State on the later of—

(1) the date specified in this title, or

(2) the effective date of laws enacted by the legislature of such State implementing such provisions,

but in no event later than the 1st day of the 1st calendar quarter beginning after the close of the 1st regular session of the State legislature that begins after the date of the enactment of this Act. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

(c) GRACE PERIOD FOR STATE CONSTITUTIONAL AMENDMENT.—A State shall not be found out of compliance with any requirement enacted by this title if the State is unable to so comply without amending the State constitution until the earlier of—

(1) 1 year after the effective date of the necessary State constitutional amendment; or

(2) 5 years after the date of the enactment of this title.

TITLE X—REFORM OF PUBLIC HOUSING

SEC. 1001. CEILING RENTS.

Section 3(a)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(a)(2)) is amended to read as follows:

"(2) ESTABLISHMENT OF CEILING RENTS.—

"(A) IN GENERAL.—A public housing agency may provide that each family residing in a public housing project shall pay monthly rent in an amount established by such agency in accordance with this paragraph.

"(B) LIMITATIONS ON AMOUNT.—The rental amount established under subparagraph (A)—

"(i) shall reflect the reasonable rental value of the dwelling unit in which the family resides, as compared with similar types and sizes of dwelling units in the market area in which the public housing project is located;

"(ii) shall be greater than or equal to the monthly cost to operate the housing (including any replacement reserves at the discretion of the public housing agency); and

"(iii) shall not exceed the amount payable as rent by such family under paragraph (1).".

SEC. 1002. DEFINITION OF ADJUSTED INCOME FOR PUBLIC HOUSING.

(a) DEFINITION OF ADJUSTED INCOME.—Section 3(b)(5) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(5)) is amended to read as follows:

"(5) The term 'adjusted income' means the income that remains after excluding—

"(A) $480 for each member of the family residing in the household (other than the head of the household or spouse)—

"(i) who is under 18 years of age; or

"(ii) who is—

"(I) 18 years of age or older; and

"(II) a person with disabilities or a full-time student;

"(B) $400 for an elderly or disabled family;

"(C) the amount by which the aggregate of—

"(i) medical expenses for an elderly or disabled family; and

"(ii) reasonable attendant care and auxiliary apparatus expenses for each family member who is a person with disabilities, to the extent necessary to enable any member of the family (including a member who is a person with disabilities) to be employed;

exceeds 3 percent of the annual income of the family;

"(D) child care expenses, to the extent necessary to enable another member of the family to be employed or to further his or her education;

"(E) excessive travel expenses, not to exceed $25 per family per week, for employment- or education-related travel, except that this subparagraph shall apply only to a family assisted by an Indian housing authority; and

"(F) subject to the requirements of subsection (e), for public housing, adjustments to earned income established by the public housing agency, not to exceed 20 percent of the earned income of the family.".

(b) ADJUSTMENTS TO DEFINITION OF EARNED INCOME.—Section 3 of the United States Housing Act of 1937 (42 U.S.C. 1437a) is amended—

(1) in the first undesignated paragraph immediately following subsection (c)(3) (as added by section 515(b) of the Cranston-Gonzalez National Affordable Housing Act), by striking "The earnings of" and inserting the following:

"(d) EXCLUSION OF CERTAIN EARNINGS.—The earnings of"; and

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

"(e) ADJUSTMENTS TO EARNED INCOME.—If a public housing agency establishes any adjustment to income pursuant to subsection (b)(5)(F), the Secretary—

"(1) shall not take into account any reduction of the per dwelling unit rental income of the public housing agency resulting from that adjustment in calculating the contributions under section 9 for the public housing agency for the operation of the public housing; and

"(2) shall not reduce the level of operating subsidies payable to the public housing agency due to an increase in per dwelling unit rental income that results from a higher level of income earned by any residents whose adjusted incomes are calculated taking into account that adjustment to income, until the public housing agency has recovered a sum equal to the cumulative difference between—

"(A) the operating subsidies actually received by the agency; and

"(B) the operating subsidies that the public housing agency would have received if paragraph (1) was not applied.".

(c) REPORT.—Not later than 3 years after the date of enactment of this Act, the Comptroller General of the United States shall submit a report to the Congress describing the fiscal and societal impact of the amendment made by subsection (b)(2).

(d) REPEAL OF CERTAIN PROVISIONS.—

(1) MAXIMUM ANNUAL LIMITATION ON RENT INCREASES RESULTING FROM EMPLOYMENT.—Section 957 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12714) is repealed effective November 28, 1990.

(2) ECONOMIC INDEPENDENCE.—Section 923 of the Housing and Community Development Act of 1992 (42 U.S.C. 12714 note) is repealed effective October 28, 1992.

SEC. 1003. FAILURE TO COMPLY WITH OTHER WELFARE AND PUBLIC ASSISTANCE PROGRAMS.

Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by adding at the end the following new section:

"SEC. 27. FAILURE TO COMPLY WITH OTHER WELFARE AND PUBLIC ASSISTANCE PROGRAMS.

"(a) IN GENERAL.—If the benefits of a family are reduced under a Federal, State, or local law relating to welfare or a public assistance program for the failure of any member of the family to perform an action required under the law or program, the family may not, for the duration of the reduction, receive any increased assistance under this Act as the result of a decrease in the income of the family to the extent that the decrease in income is the result of the benefits reduction.

"(b) EXCEPTION.—Subsection (a) shall not apply in any case in which the benefits of a family are reduced because the welfare or public assistance program to which the Federal, State, or local law relates limits the period during which benefits may be provided under the program.".

SEC. 1004. APPLICABILITY TO INDIAN HOUSING.

(a) IN GENERAL.—In accordance with section 201(b)(2) of the United States Housing Act of 1937, the amendments made by this title shall apply to public housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority.

(b) DEFINITIONS.—For purposes of this section—

(1) the term "Indian housing authority" has the same meaning as in section 3(b) of the United States Housing Act of 1937;

(2) the term "public housing" has the same meaning as in section 3(b) of the United States Housing Act of 1937; and

(3) the term "Secretary" means the Secretary of Housing and Urban Development.

SEC. 1005. IMPLEMENTATION.

The Secretary shall issue such regulations as may be necessary to carry out this title and the amendments made by this title.

SEC. 1006. EFFECTIVE DATE.

This title and the amendments made by this title shall take effect on the date of enactment of this Act.

ADDITIONAL STATEMENTS

SUPPORT FOR SEISMIC MONITORING CAPABILITY

• Mr. GLENN. Mr. President, the proliferation of nuclear weapons continues to be one of the most serious threats to national security, which underscores the need for the United States to maintain an effective capability to detect and identify clandestine nuclear tests. The challenge for seismic monitoring is the detection and identification of events of small magnitude. To meet this challenge it is necessary to acquire regional data not less than 1,000 kilometers from a test.

For many years, a consortium of universities has operated a multiple-use, global seismographic network that has been supported with funds from the Department of Defense and the National Science Foundation. These facilities represent a small but significant investment by the U.S. Government, offer effective and needed nuclear test monitoring capabilities worldwide, and enhance regional coverage in areas not adequately covered by national technical means [NTM].

Data provided by this global seismographic network can be used to locate seismic events, discriminate natural versus explosive sources, and estimate magnitude and/or yield—all of which are critical in detection and identification of clandestine nuclear tests. Enhancing accuracy of event location is particularly important in greatly reducing the area which must be investigated through costly on-site inspections or the use of NTM. The data obtained from this network thus complement, rather than compete with, data obtained from NTM.

This type of information will be invaluable in helping our Government to verify a Comprehensive Nuclear Test Ban Treaty. We are already well into the evolution of the post-cold war world, and one unpleasant fact of life about such a world is that professional test ban monitors no longer have the luxury of simply gathering data about activities at certain fixed, well-characterized sites. Now the problem has gotten more complex: We are increasingly concerned about small, low-yield test explosions, and we are facing a verification challenge that is truly global in scope. Given the global distribution of significant nongovernmental seismic monitoring capabilities, it is only prudent for us to exploit whatever resources are available and appropriate to get the job done.

The network is administered by a consortium which today consists of over 80 research institutions and affiliates around the globe. The National Science and Technology Council [NSTC] is developing a long-term funding plan for the GSN and JSP. Because of delays in the NSTC process funding recommendations were not included in the administration's fiscal year 1996 budget request, but are being incorporated in the fiscal year 1997 budget request. In the meantime, this action is needed to ensure continuation of these important programs.

My amendment specifies that $9,500,000 of prior year funds from the Defense Support Program which are available as a result of the omnibus reprogramming shall be available for continuation of the Global Seismographic Network [GSN] and Joint Seismic Program [JSP]. This is maintained by the Air Force Office of Scientific Research [AFOSR] in PE 601102F, project 2309. •

TRIBUTE TO CHUCK GIFFORD

Mr. HARKIN. Mr. President, one of my best friends, and a true friend to all who fight for social and economic justice, is retiring as subregional director of the United Auto Workers. Chuck has fought all his life for the rights of working men and women.

Chuck Gifford started out working at Maytag in Newton, IA, where he was an elected representative for local 997. He was appointed to the staff of the national community action program [CAP] of the UAW in 1975. He has held a number of important positions with the union, including serving as region 4

CAP coordinator for Iowa, Illinois, and Nebraska; president of the Iowa State CAP Council, and is retiring as subregional director. In addition to his work with the union, Chuck has been active for a long time in the Democratic Party, at the local and national level. He was a member of the Democratic National Committee, and the Iowa State Central Committee of the Democratic Party. Chuck is among the most respected labor and political leaders in our state.

While Chuck could always be counted on to pay close attention to the person on the shop floor, his vision and concerns were national and international in scope. He cared deeply about justice and working conditions for his union members, but he also cared passionately about economic injustice in Latin America, Asia, and Africa. He was a leader in the fight to end the Vietnam war, to end apartheid in South Africa, and to end child labor Latin America and Asia.

Chuck is a true and loyal American. He has spent countless hours and even days in political work to make changes in U.S. policy. He was not content to sit on the sidelines and complain. He got into the arena, and worked to make America a better country. That, to me, is a real test of good citizenship, and Chuck gets an A-plus in that category.

Recently, Chuck was appointed by Iowa Supreme Court Justice Lou Lavorato to an interim committee which will examine access to the judicial system, so I am glad to see that even in his retirement, Chuck will still be active. Mr. President, I want to salute the long and distinguished career of Chuck Gifford. I wish him all the best of health and happiness in the years ahead.●

ALASKA POWER ADMINISTRATION SALE ACT TRANS-ALASKA PIPELINE AMENDMENT ACT OF 1995—MESSAGE FROM THE HOUSE

Mr. DOLE. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives (S. 395), a bill to authorize and direct the Secretary of Energy to sell the Alaska Power Marketing Administration, and for other purposes.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

JULY 25, 1995.

Resolved, That the bill from the Senate (S. 395) entitled "An Act to authorize and direct the Secretary of Energy to sell the Alaska Power Administration, and to authorize the export of Alaska North Slope crude oil and for other purposes", do pass with the following amendments:

Page 2, strike out line 1 through page 9, line 6.

Page 9, strike out line 8 through page 13, line 26, and insert:

SECTION 1. EXPORTS OF ALASKAN NORTH SLOPE OIL.

Section 28 of the Mineral Leasing Act (30 U.S.C. 185) is amended by amending subsection (s) to read as follows:

"EXPORTS OF ALASKAN NORTH SLOPE OIL

"(s)(1) Subject to paragraphs (2) through (6) of this subsection and notwithstanding any other provision of this Act or any other provision of law (including any regulation) applicable to the export of oil transported by pipeline over right-of-way granted pursuant to section 203 of the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1652), such oil may be exported unless the President finds that exportation of this oil is not in the national interest. The President shall make his national interest determination within five months of the date of enactment of this subsection. In evaluating whether exports of this oil are in the national interest, the President shall at a minimum consider—

"(A) whether exports of this oil would diminish the total quantity or quality of petroleum available to the United States;

"(B) the results of an appropriate environmental review, including consideration of appropriate measures to mitigate any potential adverse effects of exports of this oil on the environment, which shall be completed within four months of the date of the enactment of this subsection; and

"(C) whether exports of this oil are likely to cause sustained material oil supply shortages or sustained oil prices significantly above world market levels that would cause sustained material adverse employment effects in the United States or that would cause substantial harm to consumers, including noncontiguous States and Pacific territories.

If the President determines that exports of this oil are in the national interest, he may impose such terms and conditions (other than a volume limitation) as are necessary or appropriate to ensure that such exports are consistent with the national interest.

"(2) Except in the case of oil exported to a country with which the United States entered into a bilateral international oil supply agreement before November 26, 1979, or to a country pursuant to the International Emergency Oil Sharing Plan of the International Energy Agency, any oil transported by pipeline over right-of-way granted pursuant to section 203 of the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1652) shall, when exported, be transported by a vessel documented under the laws of the United States and owned by a citizen of the United States (as determined in accordance with section 2 of the Shipping Act, 1916 (46 U.S.C. App. 802)).

"(3) Nothing in this subsection shall restrict the authority of the President under the Constitution, the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), or the National Emergencies Act (50 U.S.C. 1601 et seq.) to prohibit exports of this oil or under Part B of title II of the Energy Policy and Conservation Act (42 U.S.C. 6271–76).

"(4) The Secretary of Commerce shall issue any rules necessary for implementation of the President's national interest determination, including any licensing requirements and conditions, within 30 days of the date of such determination by the President. The Secretary of Commerce shall consult with the Secretary of Energy in administering the provisions of this subsection.

"(5) If the Secretary of Commerce finds that exporting oil under authority of this subsection has caused sustained material oil supply shortages or sustained oil prices significantly above world market levels and further finds that these supply shortages or price increases have caused or are likely to cause sustained material adverse employment effects in the United States, the Secretary of Commerce, in consultation with the Secretary of Energy, shall recommend, and the President may take, appropriate action concerning exports of this oil, which may include modifying or revoking authority to export such oil.

"(6) Administrative action under this subsection is not subject to sections 551 and 553 through 559 of title 5, United States Code.".

SEC. 2. GAO REPORT.

(a) REVIEW.—The Comptroller General of the United States shall conduct a review of energy production in California and Alaska and the effects of Alaskan North Slope oil exports, if any, on consumers, independent refiners, and shipbuilding and ship repair yards on the West Coast and in Hawaii. The Comptroller General shall commence this review two years after the date of enactment of this Act and, within six months after commencing the review, shall provide a report to the Committee on Energy and Natural Resources of the Senate and the Committee on Resources and the Committee on Commerce of the House of Representatives.

(b) CONTENTS OF REPORT.—The report shall contain a statement of the principal findings of the review and recommendations for Congress and the President to address job loss in the shipbuilding and ship repair industry on the West Coast, as well as adverse impacts on consumers and refiners on the West Coast and in Hawaii, that the Comptroller General attributes to Alaska North Slope oil exports.

Page 14, strike out line 1 through page 15, line 11.

Page 15, strike out line 12 through page 16, line 10.

Page 16, strike out line 14 through page 24, line 15.

Amend the title so as to read: "An Act to permit exports of certain domestically produced crude oil, and for other purposes.".

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate disagree to the amendments of the House and agree to the conference asked by the House on the disagreeing votes of the two Houses thereon, and that the conferees on the part of the Senate be appointed by the Chair.

There being no objection, the Presiding Officer appointed Mr. MURKOWSKI, Mr. HATFIELD, Mr. DOMENICI, Mr. JOHNSTON, and Mr. FORD conferees on the part of the Senate.

AMENDING THE FAIR LABOR STANDARDS ACT OF 1938

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 1225, just received from the House.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 1225) to amend the Fair Labor Standards Act of 1938 to exempt employees who perform certain court reporting duties from the compensatory time requirements applicable to certain public agencies, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. PRESSLER. Mr. President, on Tuesday the House of Representatives unanimously passed H.R. 1225, the

Court Reporter Fair Labor Amendments of 1995. The bill has since been received in the Senate. I rise to strongly support this much needed legislation, modeled after a bill, S. 190, I introduced last Congress and reintroduced again this January.

This legislation would correct a situation caused last year by a Labor Department interpretation of the Fair Labor Standards Act of 1938 [FLSA] as it relates to State and local court reporters. The bill would exempt from the overtime provisions of the FLSA the time official court reporters spend outside of work preparing transcripts of court proceedings for a private fee.

Mr. President, for purposes of legislative history, let me take a moment to explain the background of this issue and why this legislation is so necessary. Traditionally, court reporters have enjoyed a somewhat unique position of being treated as both public employees and independent contractors, depending on the nature of their work. While performing their primary duties of recording and reading back court proceedings, reporters have been considered employees of the court entitled to appropriate compensation and benefits.

In addition to these in-court duties, however, official court reporters also are required by most jurisdictions to prepare and certify transcripts of their stenographic records. Transcripts are typically requested by a wide range of persons—including attorneys for indigent and nonindigent criminal defendants, civil litigants, and judges. In return, reporters are paid a per-page fee by the party requesting the transcript.

When preparing transcripts for outside parties, not including judges, reporters have been considered independent contractors, not court employees. This makes sense because the court receives no benefit from the preparation of the transcript. The work is performed after normal working hours, on weekends, or when all their other court duties have been completed. Quite often, court reporters produce these transcripts at home using computer-aided transcription equipment, which they have personally purchased, without any supervision by the court.

For taxation purposes, the fee income received for the work is treated as separate and apart from reporters' court wages. In fact, court reporters in my home State of South Dakota are required to collect and pay sales tax on this income. They also file self-employment income forms with the U.S. Internal Revenue Service.

Mr. President, the situation I have described, typical of almost all State and local court reporters in the country, was thrown into turmoil last year by the Wage and Hour Division of the Labor Department. In a series of letters, the Division took the position that official court reporters in Oregon, Indiana, and North Carolina were still acting as court employees, for purposes of the FLSA, when they prepare transcripts of their stenographic records for private litigants, regardless of when or where the work is completed. Court reporters in most other States operate in circumstances similar to these three States.

None of the groups affected are pleased by the Labor Department's position. Many view the Labor Department as unnecessarily intruding into a situation with which everyone concerned was happy.

If allowed to stand, court employers would be forced to pay overtime for transcription work that is not supervised by the court and from which the court does not receive a benefit. As a result, many more hours of overtime would be accumulated by reporters. At one and one-half times the regular rate of pay, these additional overtime hours would severely strain the limited salary budgets of the courts. In response, courts would be forced to drastically cut back the number of hours allowed for transcription work, or cut back the number of court reporter positions.

State and local court reporters also are not happy with the Labor Department's interpretation. Though they purportedly would be the beneficiaries of the "protections" of the FLSA, reporters are worried their ability to earn outside income would be drastically reduced, that they would be subjected to court supervision when preparing transcripts, and that many reporter positions could be eliminated.

Finally, attorneys and others who request transcripts do not wish to see the current system changed. Under the traditional situation, they receive transcripts quickly and accurately at a reasonable price.

Mr. President, this legislation fixes the problem. It would allow State and local court reporters to continue to prepare transcripts for attorneys and others in their off hours for a per-page fee. During these hours, court reporters would be considered independent contractors, not employees of the court. These hours would not count toward the overtime provisions of the FLSA. Courts would not be required to pay reporters for these hours. The effect of the bill would be to preserve the system as it has existed for years. It is strongly supported by the National Court Reporters Association. I also have heard strong support from many judges and attorneys in South Dakota for preserving the present system.

Mr. President, this is not a partisan issue. As it progressed through the House, this legislation enjoyed broad support on both sides of the aisle. During a hearing held several weeks ago in the House Worker Protections Subcommittee of the Economic and Educational Opportunities Committee, no witness testified in opposition. After consultations with members of both parties and the Labor Department, the House bill was modified to clarify its intent. The modified version was then offered as an amendment in the nature of a substitute by Representative OWENS, the ranking member of the subcommittee, with the approval of the sponsor, Mr. FAWELL.

Essentially, two conditions must be met for the exemption to apply. First, when performing transcript preparation duties, reporters must be paid at a per-page rate that is fair. To ensure reporters are not exploited, the rate must not be less than the maximum rate set by State law or local ordinance or otherwise established by a judicial or administrative officer, or a fair market rate as negotiated by the reporter and the party requesting the transcript.

Second, transcription work must be performed during hours when reporters are not otherwise required by their court employer to be at work. Reporters are clearly acting as employees subject to compensation when they are required by the court to be working, or to be on call during a period of down time in a trial, for instance. However, when court reporters no longer are required to be at work, when they are free to go home or spend their time as they wish, and they choose to prepare transcripts for a private fee, then court employers are under no obligation to compensate them or count those hours toward the overtime provisions of the FLSA. This is common sense.

Mr. President, as I mentioned, no opposition to this legislation appeared in the House. I do not expect any opposition in this chamber either. S. 190, the bill I introduced, has been cosponsored by Senator KASSEBAUM, chairman of the Labor and Human Resources Committee, as well as Senators EXON, HELMS, JEFFORDS, COCHRAN, COATS and BROWN. I thank them for their support and am confident they also will find the House-passed legislation satisfactory.

H.R. 1225 is being held at the Senate desk pursuant to my request. It is my intention to seek unanimous consent to move this bill at the appropriate time. I understand from the staff of the ranking member of the Labor Committee, Senator KENNEDY, that he does not plan to object to moving this legislation. I also have checked with other members of the Labor Committee from the other party and have not heard of any opposition. Nor did I expect any.

To conclude, Mr. President, I thank all my colleagues for their support and look forward to moving this bill quickly.

Mr. DOLE. I ask unanimous consent that the bill be deemed to have been considered, read a third time, and passed, and the motion to reconsider be laid on the table, and any statement relating to the bill appear at the appropriate place in the RECORD.

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

So the bill (H.R. 1225) was deemed to have been read the third time and passed.

ORDERS FOR MONDAY, AUGUST 7, 1995

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 9 a.m., Monday, August 7, 1995; that following the prayer, the Journal be deemed approved to date, the time for the two leaders be reserved for their use later in the day, and the Senate proceed to a period for routine morning business not to extend beyond the hour of 10:30 a.m. with Senators permitted to speak for up to 5 minutes each, with the following exceptions: Senator FRIST for up to 60 minutes, Senator DASCHLE or his designee for up to 30 minutes.

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

Mr. DOLE. I further ask that the cloture vote scheduled to occur on Monday be postponed to occur at a time to be determined by the majority leader after consultation with the Democratic leader.

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

PROGRAM

Mr. DOLE. For the information of all Senators, the Senate will resume consideration of the welfare reform bill at 10:30 a.m. Then the amendment I have offered is the Work Opportunity Act of 1995. Votes can be expected during Monday's session of the Senate, but will not occur prior to the hour of 4:30 p.m. on Monday. Also, votes could occur later that evening with respect to amendments to the DOD authorization bill during Monday's session. I outlined before we hope to be able to go back to that late Monday and complete action on that bill.

I know the distinguished Democratic leader wishes to speak, and also the Senator from Nebraska—how much time?—2 minutes.

ORDER FOR RECESS

Mr. DOLE. Mr. President, so, if there is no further business to come before the Senate, I ask unanimous consent that the Senator from Nebraska be recognized for 2 minutes, and the distinguished Democratic leader be recognized for whatever time he may use, and that after his statement the Senate stand in recess under the previous order.

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

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The distinguished Senator from Nebraska.

Mr. EXON. I thank the Chair and my friend and colleague, the majority leader.

FAMILY SELF-SUFFICIENCY ACT

Mr. EXON. Mr. President, before the leader leaves the floor, I want to say I have listened with keen interest to the opening remark by the majority leader and the introduction of the welfare reform bill and the spirit of compromise that he expressed and exchanged with Senator MOYNIHAN, who has been a leader in this for a long time. I am looking forward to the remarks by the minority leader, which I think will follow, probably on this subject.

I just want to say that after being here 17-plus years, I do not believe there is anything that probably is more important or more necessary for reform. And I hope that the spirit of compromise which started out this debate will be part of the debate, because I believe that this is not something that we want to make a political issue out of it. This is a problem that we all know of that is very fundamental to the whole prospect that we have of getting our fiscal house in order and doing the right thing in a fair way.

I hope we will not have any filibuster. I hope that maybe we can be so bipartisan that maybe we will not even use tabling motions. Maybe we can just have up-or-down votes on all of the amendments. I am not trying to direct how this is moved forward, but I think if we are going to get something done, it is going to have to be a combination effort with the combination of the majority Members and minority Members having a say so and let the body work its will on the various amendments.

I will have more to say on this probably on Monday or later. I am very much concerned about it. I am very happy it has finally come to the fore. And I salute the majority leader and the minority leader, Senator MOYNIHAN, and others, who have had a key role to play. I do not think we are too far apart. I hope we will not become too far apart during the debate which will ensue.

I thank the majority leader and the minority leader, and I yield the floor.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, let me concur first with the comments made by the distinguished Senator from Nebraska. I hope that this can be a very meaningful and productive debate. I have every expectation that that is indeed what will occur. This is a very important issue, and we will all have much more to say about it next week.

Mr. President, we begin the debate today, and I must say I am encouraged by the remarks of the majority leader and certainly by the ranking member of the Finance Committee, because I think it is indicative of the hope expressed oftentimes on the floor that we can deal in a meaningful way on an issue as important as welfare reform this year.

I believe that in many respects there are similarities between the Republican and the Democratic approaches to welfare reform, but there are some fundamental differences as well. And those differences, of course, have to be worked out over the course of the next several days.

I believe that it is very important, as we look to how to achieve meaningful welfare reform, that several principles guide our way, that several principles determine the degree to which we come together and create the scope within which welfare reform can be accomplished.

I believe that it is important to end welfare as we know it, as the President has challenged us to do. I believe that most people recognize, that with all of its good intentions, we have not been able to cope with the myriad problems that we continue to witness and experience simply because the infrastructure we have created is unable to accommodate the solutions that are necessary under the current set of circumstances.

The Family Support Act, a major piece of legislation offered at that time by the senior Democratic member of the Finance Committee, later to be chairman of the Finance Committee, Senator MOYNIHAN, was really a landmark piece of legislation in 1988. Now, 7 years later, we realize we have to go even beyond what we did in 1988 with the broad agreement that we had in 1988 that it was a very significant step ahead, a step forward in the progress that we knew we had to make in achieving much of what we had set out to do 30 years ago.

Mr. President, I believe that the principles of welfare reform that must be incorporated as we begin to address this issue next week, first and foremost, recognize that we change the infrastructure of the welfare system as we have known it for so long. It is important that we abolish the AFDC system and create in its place an ability for us to put the emphasis where it ought to belong, put the emphasis on work, to make the welfare office of today the employment office of tomorrow, to give people an opportunity, a confidence that they do not have today that they will have the jobs skills, they will have the ability, they will have the resources to get jobs and to keep them.

Work First—an emphasis on work ought to be the emphasis of welfare reform. We feel so strongly about the need to make work that priority that we call our bill the Work First welfare reform plan, because that is where the emphasis must be put, on work with skills, with education, with placement, with whatever resources may be required to ensure that people work.

Second, we think it is very important that if, indeed, we are going to acknowledge the importance of work, we also acknowledge that it is impossible to ask a mother or a father, but in particular a mother, to go out, to take perhaps a minimum-wage job if there is nothing that we can tell them will happen to their children. If we tell them we are going to force you to take that job out on some hamburger line but we know you have kids 2- and 4-years-old and you are just going to have to leave them at home or you are just going to have to figure out a way to deal with them, my guess is there is not going to be much incentive to go do that.

So what we say is somehow we have to come up with innovative ways to ensure that parents will know that their kids are going to be cared for, that somehow those children are going to have to have the ability to be cared for, to be protected, to be nourished, to be trained to do all the things that the mother would do if she was at home with those children and not at work.

There is an inextricable link between child care and welfare reform, between expecting a young mother to go out and work and recognizing how important it is that those kids get care.

It does not take a rocket scientist to find out that one of the big problems we have in society today is that there are too many kids that do not have any guidance, do not have any affection, do not have any relationship with their mother or their father. Whatever relationship they get, they get out on the street.

Look what happened in that brutal circumstance just the night before last at the McDonald's 15 blocks from here. I do not know what happened to that kid. I do not know what caused him to go in at 2 o'clock in the morning and blow away three of his fellow employees. But I would be willing to bet he did not have a father. I would be willing to bet he probably had nothing at home. I would be willing to bet he received no guidance in those developmental ages. I would be willing to bet we lost that kid a long time ago.

I hope we do not have to experience that over and over and over and over again. Whether or not that happens, it seems to me, is dependent upon whether or not we provide mothers and fathers with an opportunity, a confidence that we are going to deal with that problem. I think if we can deal with child care, there is a long way we can go in meaningful welfare reform.

Third, I believe that it is important to end the cliff effect. If we tell that mother or that father, "You know what, we are going to force you to go take a job, but as soon as you do, you lose your health insurance, it's over."

I have to tell you, I do not think there is a whole lot of incentive. I think they are going to do this all over again. I do not think there is any real expectation they are going to want to get a job, if they get a minimum wage job away from their kids and lose their health insurance through Medicaid all at the same time. That "ain't" going to happen.

So I think we have to recognize that while they are on that job, somehow we have to ensure as well, for at least a while, that they are entitled to Medicaid to see that they have all the incentives to go out and get a job that we can.

Next, I think we ought to tell those parents, that mother or that father, unequivocally, "Look, if you do not go out and get a job, there is a timeframe within which all of your benefits are gone. We're not going to give you benefits in perpetuity. It's over. A 2-year time limit and you don't have access, you don't have eligibility, you don't have an opportunity to get additional benefits for the foreseeable future. That is not going to happen anymore. We are going to work with you. We expect you to sign a contract with us that you are going to get a job. We're going to help you find one. You have to live up to your responsibilities, we will live up to ours. But it is over in 2 years. And if it is over, you are going to work in public work jobs, you are going to work in workfare, you are going to work in some way, but you are going to work, and you are not going to get benefits. It is not going to be like it is today where you can just keep going forever. That time is over."

So there is a time beyond which we can no longer provide this safety net.

Next, I think it is very important that States have the flexibility. That is one thing that I think unites Democrats and Republicans, the need to give the maximum degree of flexibility. I want to see every State work, but there is a big difference between Montana, the State of the distinguished Presiding Officer, and a South Dakota on the one hand, and a California and a New York on the other. There are big differences between New York City and Missoula, MT, or Pierre, SD, or Philip, SD. There are big differences and we have to recognize that, and the only way we can recognize it is to give States the flexibility they need to adapt to a Philip or adapt to a New York City.

So we recognize that, and we are going to do all that we can to ensure that States have that flexibility. But what we do not want to do is just simply load up all of the responsibilities in a black box, send it out and say, "You do it. And we're going to somehow figure out whether or not you have done it 10 years from now, and if there are huge disparities 10 years from now, well, we will deal with it then." We are not going to let that happen. We have to ensure that somehow there is a minimal maintenance of effort.

Also, we do not want unfunded mandates to the extent potentially you could see them if we do not do this right. A locally elected official not too long ago said this could be the mother of all unfunded mandates if this thing is done wrong. If we just say we are going to give them a block grant, they have to do it. We cut the funds, somebody ends up with all the responsibility and no resources.

We are not going to let that happen. So it is very important that we not make this an unfunded mandate, that we provide flexibility, that we do all that we can to ensure that there is some continuity here.

So the bottom line, Mr. President, is this: We want to end welfare as we know it. We want to ensure that children are protected, that we create a new mechanism by which children will not be punished, but will be encouraged, that parents will not be punished but will come to a new reality about the limits with which we have the ability to help them. But that during those months within which we can help them, we do all that is possible to help them obtain the skills, get the jobs, be responsible and become productive citizens.

Work First, Mr. President, will do that. The Work First plan is a plan that has been the product of, perhaps, more of a concerted effort within our caucus than anything else we have done this year.

Let me commend a number of my colleagues for the effort they have put forth to bring us to this point. Senator BREAUX, the distinguished Senator from Louisiana; Senator MIKULSKI, the distinguished Senator from Maryland; Senator MOYNIHAN, extremely helpful and has provided us within credible leadership on this whole issue; Senator DODD, who knows more about child care than all the rest of us put together; a whole range of Senators within our caucus that have come forth to give us a substantial degree of guidance and leadership and support at each and every turn.

So we are very proud of the product, very hopeful that my colleagues on the other side will take a close look at the Work First legislation with an expectation that, partisanship aside, we may be able to find a solution here. We may actually be able to produce a bill like Work First that satisfies everybody's expectations, that ultimately brings us meaningful welfare reform. I think it can happen. I am very hopeful that it can happen in the not-too-distant future.

We will take this bill up again next Monday. I look forward to productive debate.

I yield the floor.

Mr. EXON. Mr. President, I ask unanimous consent for 1½ more minutes.

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

Mr. EXON. I thank my friend and colleague from South Dakota for his

excellent remarks. I think they were right on point. I would just like to say to my leader, the Democratic leader and to the Republican leader, that I think the minority leader made an excellent point. The States are going to have a key role to play in this. We know that. I simply say that let us be careful that we do not make some mistakes and just assume that every State is going to take care of this. We also ought to assume that this is not necessarily going to cost less money, because I suspect it is not and that we are going to pass it along to the States and let them worry about it.

I hope that during this debate that since the Governors are going to be very much involved, those of us who served as Governors of our States may have a somewhat unique perspective that is not there by others who have not had the responsibility of serving as Governor and, therefore, Democratic former Governors, Republican former Governors probably can have some pretty good input to this as to how it might affect the States and the responsibilities of the Governors.

Let me close by saying that I believe people in the United States recognize that they are their brother's keepers to some extent.

I think the complaint has been, Mr. President, that the policy that we have had in effect in the past have not worked. People stay on welfare from generation to generation. That is what they object to. I think that is what both plans are trying to address.

Let me finish up by saying how proud I was of my leader, the Democratic leader, for mentioning children. Yes, we are going to have to have some kind of a cutoff date, if you are unsuccessful. We are going to have to raise the minimum wage if this is going to be successful.

Last but not least, we are going to have to recognize what the Democratic leader said. What about kids? Supposing their parents are not successful after being on welfare for a length of time? They are going to have to get off, and we are going to have to have some kind of a cutoff mechanism. But we are also going to have to recognize that we cannot cut off the kids. It is not their direct responsibility.

All of these things must be given consideration. I hope and think they will be.

I thank the Chair and my friend and colleague from South Dakota.

Mr. DASCHLE. I will be very brief, Mr. President. I can only respond by saying that the Senator from Nebraska has spoken again very eloquently and obviously with the experience that only a Governor can bring to a debate like this. The Senator from Nebraska has been Governor for a long period of time in a State that is not much different from South Dakota, my State. He recognizes the intricacies of making a program like this work and he recognizes as well the differences between a Nebraska and a Florida or a California.

I am delighted he brought up another issue that is also very important as we connect the relationship between success and expectation. We will only achieve success if we can truly make work pay. If we can make work pay, part of making it pay is to recognize that minimum wage today, if a person will work 40 hours a week, is still below the level of poverty. That is not making work pay.

As the Senator from Nebraska has said so well, if we are going to make this thing work, then we also have to recognize that pieces not directly related to welfare but having a significant impact on it, will have to be addressed as well.

So the Senator from Nebraska, as always, was able to hone in on those two or three principles that are key. I appreciate the contribution he has made to this effort. I look forward to working with him next week.

RECESS UNTIL MONDAY, AUGUST 7, 1995, AT 9 A.M.

The PRESIDING OFFICER. If no other Senator is seeking recognition, under the previous order the Senate stands in recess until Monday, August 7, 1995 at 9 a.m.

There being no objection, the Senate, at 5:46 p.m., recessed until Monday, August 7, 1995, at 9 a.m.