HOUSE OF REPRESENTATIVES—*Friday, September 26, 1997*

The House met at 9 a.m.

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

As we experience the diversity of people all about us with culture and philosophies and backgrounds representing every view, enable us to remember that each one of us has been created by You, O God, with a solidarity that transcends all our differences and all our disputes. As we represent our own aspirations and wishes, help us to understand other views and other people with the respect and consideration and esteem that we ought to have with all members of the human family. As we have one Creator and all share Your wonderful world, so may our thoughts and actions reflect the good will and respect that is Your gift to us. In Your name we pray. Amen.

THE JOURNAL

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

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

Mr. MILLER of California. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

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

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

The SPEAKER. Pursuant to clause 5, rule I, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Illinois [Mr. DAVIS] come forward and lead the House in the Pledge of Allegiance.

Mr. DAVIS of Illinois led the Pledge of Allegiance as follows:

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

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will entertain 1-minutes after legislative business.

PROVIDING FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 94, CONTINUING APPROPRIATIONS, FISCAL YEAR 1998

Mr. LIVINGSTON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations be discharged from further consideration of House Joint Resolution 94 when called up; and that it be in order any time on Monday, September 29, 1997, or any day thereafter, to consider the joint resolution in the House; that the joint resolution be considered as read for amendment; that the joint resolution be debatable for not to exceed 1 hour, to be equally divided and controlled by myself and the gentleman from Wisconsin [Mr. OBEY]; and that the previous question be considered as ordered on the joint resolution to final passage without intervening motion, except one motion to recommit, with or without instructions.

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

Mr. ROHRABACHER. Mr. Speaker, reserving the right to object, I would like to ask the distinguished chairman whether or not in this provision is a provision entitled 245(i), dealing with immigration?

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

Mr. ROHRABACHER. I yield to the gentleman from Louisiana.

Mr. LIVINGSTON. Mr. Speaker, I would be happy to advise the gentleman there are several extensions of existing authorized law that are expiring, among them an extension of section 245(i) of the Immigration and Naturalization Act.

Mr. ROHRABACHER. Mr. Speaker, I would yield to my friend, the gentleman from New York [Mr. SOLOMON], and ask him whether there have been Members of this body who object to that and raise objections to that particular provision?

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

Mr. ROHRABACHER. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, I will just say to the gentleman that my office has been deluged with calls over this matter. I personally am very much concerned with it. In my district alone, we have I do not know how many cases where people are able to pay $1,000 and extend their stay in this country, where other people coming from Italy or Ireland or other places do not have the $1,000 and they are not allowed to.

There is something wrong with this. I just am concerned about it being in this legislation. I do not know how this shows up in a CR. We were told this would be a clean CR with no riders. I am concerned about it on behalf of about 55 Members that called in.

Mr. ROHRABACHER. Mr. Speaker, reclaiming my time, this particular provision was only voted on in the House of Representatives once, and when it was voted on it was rejected with a substantial margin.

Instead, this was snuck into law based on agreements made behind closed doors in conference meetings, et cetera, that it would be a temporary measure, and that this would be the time when it would sunset. Now here we see another attempt to sneak through a major immigration loophole, which would permit tens of thousands, no, not tens of thousands, not even hundreds of thousands, perhaps millions of people, to stay in this country illegally.

Mr. LIVINGSTON. Mr. Speaker, if the gentleman would yield further, let me simply attempt to clarify the record.

This authorization was included in the supplemental appropriations bill in the spring with the full knowledge of the Members of the House in order to avoid precipitous action and avoid immediate deportation of, as the gentleman has said, tens of thousands, perhaps even hundreds of thousands of people.

These are people who have been in the United States for a number of years, been here legally, presumably most of them working and paying taxes to the Treasury of the United States, and, by virtue of the expiration of previous law and change of law, were facing immediate deportation.

There has been an attempt by a number of proponents to give them an opportunity to either change the law or make their case that they should not be deported. All this provision does is extend that provision for about three weeks, so that we can determine whether or not it should be included in the long-term solution.

If the gentleman objects to this provision, it means in effect that extension will not go into effect for 3 weeks, and tens of thousands of people will

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face immediate deportation. It would seem that such an objection would be precipitous and unwarranted, and would cause undue hardship for a lot of innocent people. I urge the gentleman not to object.

Mr. ROHRABACHER. Mr. Speaker, reclaiming my time, I was notified that this is not a 3-week extension. First of all, I was notified this was not going to be in the bill; it was going to be a clean CR and this was not going to be there. I was informed 5 minutes ago as I was on the road here that it was in the bill.

Mr. LIVINGSTON. If the gentleman will yield further, just to clarify the record, so the gentleman understands, the gentleman and I have had discussions about this last night, and I have to say, I did not know too much about this either.

Mr. ROHRABACHER. It was not the gentleman who misinformed me.

Mr. LIVINGSTON. Mr. Speaker, I certainly thank the gentleman, because, if he will yield further, I do not intend to mislead him, but I want to make sure he fully understands the provision before us.

In the joint resolution, House Joint Resolution 94, section 123 reads specifically, "Section 506(c) of Public Law 103-317 is amended by striking September 30, 1997, and inserting October 23, 1997." In effect, we are talking about a three-week extension, not any extension beyond that.

Mr. ROHRABACHER. What would then happen?

Mr. LIVINGSTON. It means nothing happens. We have another 3 weeks. Existing law is extended for the purposes of this continuing resolution so that we can resolve the business of the Congress and adjourn at a reasonable time this year.

If in fact the gentleman's objection is heard and this provision is struck, it means we do not have those 3 weeks to make this determination, and that immediately the Immigration and Naturalization Service has to go about the business of deporting tens of thousands of people for a short period of time.

Mr. ROHRABACHER. If I could be assured there would be a vote, an up or down vote on this particular issue on the floor, rather than having this included in a larger piece of legislation in which the Members of this body would not be able to express their will on this particular issue, if I could be assured that there will be an up or down vote, I would withdraw my objection.

Mr. LIVINGSTON. If the gentleman will yield further, I would simply say we are attempting to accommodate the authorizing committees that have direct jurisdiction over this particular law. This is not a provision that the Committee on Appropriations normally deals with. So I would not be able to give the gentleman assurances to that effect. But I am sure that under the proper circumstances, if we can have that opportunity to debate that issue in the next 3 weeks, it would be far more prudent to have that debate that the gentleman has requested than to entertain an objection at this time.

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

Mr. ROHRABACHER. I yield to the gentleman from Wisconsin.

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

Mr. Speaker, let me simply reiterate what the chairman of the committee has said. This is an effort to simply extend this, along with a number of other provisions in the law, for 3 weeks, the same as all of the other items in the CR, so that there is more opportunity to deal with the issue.

The real live consequences for people if this is not done is that persons have to leave the country and they cannot return for 2 years. That would create an unacceptable disruption of human beings' lives if in fact the Congress were to decide in 3 weeks that they were entitled to stay here.

We are not prejudging the outcome of this. The committee is simply extending it for 3 weeks so that a proper resolution can be reached.

Mr. ROHRABACHER. Mr. Speaker, reclaiming my time, let me accept the idea that people want a proper solution to this. The proper solution was to not sneak this into law in the first place. The proper solution was to have an up or down vote on the floor on this issue.

We are not talking about just individual people's lives, we are talking about people who came here and are here illegally in the United States of America. Most of these people were people whose visa had certain restrictions on it, and they decided just to flaunt the law and stay here illegally anyway, which gives everybody who gets a visa to come to the United States an incentive to just violate their visa agreement to come into the United States. So these are not just ordinary citizens.

However, and I would address this to the Chair, if the Chair can guarantee me there will be an up or down vote on this issue in the next 3 weeks, I will be very happy to withdraw my objection. But if the Chair, who happens to be the Speaker of the House, and we are very happy to have the Speaker with us today, cannot guarantee me that, I do not understand why I should withdraw my objection.

Mr. SOLOMON. Mr. Speaker, if the gentleman will yield further on that point, I do not want to speak for the Speaker because he certainly speaks for himself, but we have a Committee on Rules in this House, and I can just tell the gentleman that this contentious matter will not come to the floor without a rule that would allow a vote on it. Since this is only a 3-week extension, I guess I would recommend to the gentleman, and I have some strong feelings, as he knows, about it, that he not object, and then we will speak to the Committee on the Judiciary and we will make sure it goes through regular process. I think that would give the gentleman his guarantee.

□ 0915

Mr. ROHRABACHER. I would ask the Chair whether or not this Member has a commitment that there will be an up or down vote on this issue.

The SPEAKER. The Chair would not comment from the chair on that kind of question. There are procedures of the House that the gentleman has been advised of by the Committee on Rules chairman, steps that could be taken by the Committee on Rules. The gentleman has rights he can exercise as a Member, but the Chair does not engage in that kind of dialogue.

Mr. ROHRABACHER. All right. Let me note this. I do have a commitment from the chairman of the Committee on Rules that we will have an up or down vote on this issue.

Let me remind my fellow Members, the reason why there is a problem right at this time and these people's lives face disruption is only because this body was prevented from having an up or down vote on the issue.

I am not up here to try to prevent the democratic process from working; I want the democratic process to have a chance to work. We have a right, and our constituents have a right, to have a vote on the floor on issues of this magnitude. We are talking about 400,000 people who already stayed, they overstayed their visas, or they snuck into this country, so they are here illegally, and they have applied under this program. I was told when the one debate that we won on the floor, the one vote that there was on this was lost by the other side, that there would only be several thousand, maybe 10,000 people applying. It is a major loophole. Now, if this body wants to do that, I have no objection. Well, I would object, I would vote against it, but that is fine.

I am only asking that we put ourselves on the record for our constituents on this particular issue. That is what democracy is all about, and I have some friends here, the gentleman from Florida [Mr. DIAZ-BALART] who is totally on the other side on this, who I understand feels very strongly. I just think we should all be on the record in saying that, and with this agreement by the chairman of the Committee on Rules that there will be an up-or-down vote on this within the next 3 weeks.

Mr. SOLOMON. Mr. Speaker, if the gentleman would yield, the gentleman cannot be guaranteed a vote up or down in the next 3 weeks on it. This is a 3-week extension. If nothing is done, it expires, and the gentleman has won his case. I simply said to the gentleman that if this is going to come before the floor, we would see to it in the

Committee on Rules that there would be a vote on it, if there is going to be a further extension of permanent law.

Mr. ROHRABACHER. Mr. Speaker, I will accept that assurance, and I hope everybody understands that we came to this point where people's lives might be disrupted because the democratic process was ignored in the past, and this thing was put into law without a vote on the floor.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. McDevitt, one of its clerks, announced that the Senate had passed a bill and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 1211. An act to provide permanent authority for the administration of au pair programs.

S. Con. Res. 11. Concurrent resolution recognizing the 25th anniversary of the establishment of the first nutrition program for the elderly under the Older Americans Act of 1965.

CONFERENCE REPORT ON H.R. 2203, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1998

Mr. LIVINGSTON submitted the following conference report and statement on the bill (H.R. 2203) making appropriations for energy and water development for the fiscal year ending September 30, 1998, and for other purposes:

CONFERENCE REPORT (H. REPT. 105–271)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2203) "making appropriations for energy and water development for the fiscal year ending September 30, 1998, and for other purposes", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1998, for energy and water development, and for other purposes, namely:

TITLE I

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

The following appropriations shall be expended under the direction of the Secretary of the Army and the supervision of the Chief of Engineers for authorized civil functions of the Department of the Army pertaining to rivers and harbors, flood control, beach erosion, and related purposes.

GENERAL INVESTIGATIONS

For expenses necessary for the collection and study of basic information pertaining to river and harbor, flood control, shore protection, and related projects, restudy of authorized projects, miscellaneous investigations, and, when authorized by laws, surveys and detailed studies and plans and specifications of projects prior to construction, $156,804,000, to remain available until expended, of which funds are provided for the following projects in the amounts specified:

Delaware Bay Coastline, Delaware and New Jersey, $456,000;

Tampa Harbor, Alafia Channel, Florida, $270,000;

Laulaulei, Hawaii, $200,000;

Barnegat Inlet to Little Egg Harbor Inlet, New Jersey, $400,000;

Brigantine Inlet to Great Egg Harbor Inlet, New Jersey, $472,000;

Great Egg Harbor Inlet to Townsends Inlet, New Jersey, $400,000;

Lower Cape May Meadows—Cape May Point, New Jersey, $154,000;

Manasquan Inlet to Barnegat Inlet, New Jersey, $400,000;

Raritan Bay to Sandy Hook Bay (Cliffwood Beach), New Jersey, $300,000;

Townsends Inlet to Cape May Inlet, New Jersey, $500,000; and

Monongahela River, Fairmont, West Virginia, $350,000:

Provided, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use $600,000 of the funds appropriated in Public Law 102–377 for the Red River Waterway, Shreveport, Louisiana, to Daingerfield, Texas, project for the feasibility phase of the Red River Navigation, Southwest Arkansas, study: Provided further, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use $470,000 of the funds appropriated herein to initiate the feasibility phase for the Metropolitan Louisville, Southwest, Kentucky, study: Provided further, That the Secretary of the Army is directed to use $500,000 of the funds appropriated herein to implement section 211(f)(7) of Public Law 104–303 (110 Stat. 3684) and to reimburse the non-Federal sponsor a portion of the Federal share of project costs for the Hunting Bayou element of the project for flood control, Buffalo Bayou and tributaries, Texas: Provided further, That the Secretary of the Army is directed to use $150,000 of the funds appropriated herein to implement section 211(f)(8) of Public Law 104–303 (110 Stat. 3684) and to reimburse the non-Federal sponsor a portion of the Federal share of project costs for the project for flood control, White Oak Bayou watershed, Texas.

CONSTRUCTION, GENERAL

For the prosecution of river and harbor, flood control, shore protection, and related projects authorized by laws; and detailed studies, and plans and specifications, of projects (including those for development with participation or under consideration for participation by States, local governments, or private groups) authorized or made eligible for selection by law (but such studies shall not constitute a commitment of the Government to construction), $1,473,373,000, to remain available until expended, of which such sums as are necessary pursuant to Public Law 99–662 shall be derived from the Inland Waterways Trust Fund, for one-half of the costs of construction and rehabilitation of inland waterways projects, including rehabilitation costs for the Lock and Dam 25, Mississippi River, Illinois and Missouri; Lock and Dam 14, Mississippi River, Iowa; Lock and Dam 24, Mississippi River, Illinois and Missouri; and Lock and Dam 3, Mississippi River, Minnesota, projects, and of which funds are provided for the following projects in the amounts specified:

Arkansas River, Tucker Creek, Arkansas, $300,000;

Norco Bluffs, California, $1,000,000;

San Timoteo Creek (Santa Ana River Mainstem), California, $5,000,000;

Panama City Beaches, Florida, $5,000,000;

Tybee Island, Georgia, $2,000,000;

Indianapolis Central Waterfront, Indiana, $5,000,000;

Indiana Shoreline Erosion, Indiana, $3,000,000;

Lake George, Hobart, Indiana, $3,500,000;

Ohio River Flood Protection, Indiana, $1,300,000;

Harlan, Williamsburg, and Middlesboro, Kentucky, elements of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River, $26,390,000;

Martin County, Kentucky, element of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River, $5,000,000;

Pike County, Kentucky, element of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River, $5,300,000;

Town of Martin (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky, $700,000;

Salyersville, Kentucky, $2,050,000;

Southern and Eastern Kentucky, Kentucky, $3,000,000;

Lake Pontchartrain and Vicinity (Hurricane Protection), Louisiana, $22,920,000;

Lake Pontchartrain (Jefferson Parish) Stormwater Discharge, Louisiana, $3,000,000;

Jackson County, Mississippi, $3,000,000;

Natchez Bluff, Mississippi, $4,000,000;

Pearl River, Mississippi (Walkiah Bluff), $2,000,000;

Joseph G. Minish Passaic River Park, New Jersey, $3,000,000;

Hudson River, Athens, New York, $8,700,000;

Lackawanna River, Olyphant, Pennsylvania, $1400,000;

Lackawanna River, Scranton, Pennsylvania, $5,425,000;

Lycoming County, Pennsylvania, $339,000;

South Central Pennsylvania Environment Improvement Program, $30,000,000, of which $10,000,000 shall be available only for water-related environmental infrastructure and resource protection and development projects in Lackawanna, Lycoming, Susquenhanna, Wyoming, Pike, and Monroe counties in Pennsylvania in accordance with the purposes of subsection (a) and requirements of subsection (b) through (e) of section 313 of the Water Resources Development Act of 1992, as amended;

Wallisville Lake, Texas, $9,200,000;

Virginia Beach, Virginia (Reimbursement), $925,000;

Virginia Beach, Virginia (Hurricane Protection), $13,000,000;

West Virginia and Pennsylvania Flood Control, West Virginia and Pennsylvania, $3,000,000;

Hatfield Bottom (Levisa and Tug Forks of the Big Sand River and Upper Cumberland River), West Virginia, $1,000,000;

Lower Mingo (Kermit) (Levisa and Tug Forks of the Big Sand River and Upper Cumberland River), West Virginia, $6,300,000;

Lower Mingo, West Virginia, Tributaries Supplement, $150,000;

Upper Mingo County (Levisa and Tug Forks of the Big Sand River and Upper Cumberland River), West Virginia, $3,000,000;

Levisa Basin Flood Warning System (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky and Virginia, $400,000;

Tug Fork Basin Flood Warning System (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), West Virginia, $400,000; and

Wayne County (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), West Virginia, $1,200,000:

Provided, That the Secretary of the Army, acting through the Chief of Engineers, is directed to proceed with design and construction of the Southeast Louisiana, Louisiana, project and to award continuing contracts, which are not to be considered fully funded, beginning in fiscal year 1998 consistent with the limit of the authorized appropriation ceiling: Provided further, That the Secretary of the Army acting through the Chief of Engineers, is directed to use $225,000 of funds provided herein to construct necessary repairs to the flume and conduit for flood control at the Hagerman's Run, Williamsport, Pennsylvania, flood control project: Provided further, That the Secretary of the Army is directed to incorporate the economic analyses for the Green Ridge and Plot sections of the Lackawanna River, Scranton, Pennsylvania, project with the economic analysis for the Albright Street section of the project, and to cost-share and implement these combined sections as a single project with no separable elements, except that each section may be undertaken individually when the non-Federal sponsor provides the applicable local cooperation requirements: Provided further, That section 114 of Public Law 101-101, the Energy and Water Development Appropriations Act, 1990, is amended by striking "total cost of $19,600,000" and inserting in lieu thereof, "total cost of $40,000,000": Provided further, That the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to combine the Wilmington Harbor—Northeast Cape Fear River, North Carolina, project authorized in section 202(a) of the Water Resources Development Act of 1986, the Wilmington Harbor, Channel Widening, North Carolina, project authorized in section 101(a)(23) of the Water Resources Development Act of 1996, and the Cape Fear—Northeast (Cape Fear) Rivers, North Carolina, project authorized in section 101(a)(22) of the Water Resources Development Act of 1996 into a single project with one Project Cooperation Agreement based on cost sharing as a single project: Provided further, That The Secretary of the Army, acting through the Chief of Engineers, is directed to use $20,000,000 of the funds appropriated herein to initiate construction of the Houston-Galveston Navigation Channels, Texas, project and execute a Project Cooperation Agreement for the entire project authorized in the Water Resources Development Act of 1996, Public Law 104-303: Provided further, That the Secretary of the Army acting through the Chief of Engineers, may use up to $5,000,000 of the funding appropriated herein to initiate construction of an emergency outlet from Devils Lake, North Dakota, to the Sheyenne river, and that this amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(D)(i)); except that funds shall not become available unless the Secretary of the Army determines that an emergency (as defined in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122)) exists with respect to the emergency need for the outlet and reports to Congress that the construction is technically sound, economically justified, and environmentally acceptable and in compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.): Provided further, That the economic justification for the emergency outlet shall be prepared in accordance with the principles and guidelines for economic evaluation as required by regulations and procedures of the Army Corps of Engineers for all flood control projects, and that the economic justification be fully described, including the analysis of the benefits and costs, in the project plan documents: Provided further, That the plans for the emergency outlet shall be reviewed and, to be effective, shall contain assurances provided by the Secretary of State, after consultation with the International Joint Commission, that the project will not violate the requirements or intent of the Treaty Between the United States and Great Britain Relating to Boundary Waters Between the United States and Canada, signed at Washington January 11, 1909 (36 Stat. 2448; TS 548) (commonly known as the "Boundary Waters Treaty of 1909"): Provided further, That the Secretary of the Army shall submit the final plans and other documents for the emergency outlet to Congress: Provided further, That no funds made available under this Act or any other Act for any fiscal year may be used by the Secretary of the Army to carry out the portion of the feasibility study of the Devils Lake Basin, North Dakota, authorized under the Energy and Water Development Appropriations Act, 1993 (Public Law 102-377), that addresses the needs of the area for stabilized lake levels through inlet controls, or to otherwise study any facility or carry out any activity that would permit the transfer of water from the Missouri River Basin into Devils Lake: Provided further, That the entire amount of $5,000,000 shall be available only to the extent an official budget request, that includes the designation of the entire amount of the request as an emergency requirement as defined by the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the Secretary of the Army is directed to use $2,000,000 of the funds appropriated herein to implement section 211(f)(6) of Public Law 104-303 (110 Stat. 3683) and to reimburse the non-Federal sponsor a portion of the Federal share of project construction costs for the flood control components comprising the Brays Bayou element of the project for flood control, Buffalo Bayou and tributaries, Texas.

FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES, ARKANSAS, ILLINOIS, KENTUCKY, LOUISIANA, MISSISSIPPI, MISSOURI, AND TENNESSEE

For expenses necessary for prosecuting work of flood control, and rescue work, repair, restoration, or maintenance of flood control projects threatened or destroyed by flood, as authorized by law (33 U.S.C. 702a, 702g-1), $296,212,000, to remain available until expended: Provided, That notwithstanding the funding limitations set forth in Public Law 104-6 (109 Stat. 85), the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to use additional funds appropriated herein or previously appropriated to complete remedial measures to prevent slope instability at Hickman Bluff, Kentucky: Provided further, That, using funds appropriated in this Act, the Secretary of the Army may construct the Ten and Fifteen Mile Bayou channel enlargement as an integral part of the work accomplished on the St. Francis Basin, Arkansas and Missouri Project, authorized by the Flood Control Act of 1950: Provided further, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use up to $4,000,000, including the $1,900,000 appropriated herein, to dredge Sardis Lake, Mississippi, at 100 percent Federal cost, so that the City of Sardis, Mississippi, may proceed with its development of the valuable resources of Sardis Lake in Mississippi, consistent with language provided in House Report 104-679, accompanying the Fiscal Year 1997 Energy and Water Development Appropriations Act (Public Law 104-206): Provided further, That within available funds, the Secretary of the Army, acting through the Chief of Engineers, is directed to conduct, at 100 percent Federal cost, the necessary Environmental Assessment and Impact Studies for the initial components of Sardis Lake development as provided in the Sardis Lake Recreation and Tourism Master Plan, Phase II.

OPERATION AND MAINTENANCE, GENERAL

For expenses necessary for the preservation, operation, maintenance, and care of existing river and harbor, flood control, and related works, including such sums as may be necessary for the maintenance of harbor channels provided by a State, municipality or other public agency, outside of harbor lines, and serving essential needs of general commerce and navigation; surveys and charting of northern and northwestern lakes and connecting waters; clearing and straightening channels; and removal of obstructions to navigation, $1,740,025,000, to remain available until expended, of which such sums as become available in the Harbor Maintenance Trust Fund, pursuant to Public Law 99-662, may be derived from that Fund, and of which such sums as become available from the special account established by the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 460l), may be derived from that Fund for construction, operation, and maintenance of outdoor recreation facilities, and of which funds are provided for the following projects in the amounts specified:

Anclote River, Florida, $1,500,000;
Beverly Shores, Indiana, $1,700,000;
Boston Harbor, Massachusetts, $16,500,000;
Flint River, Michigan, $875,000; and
Raystown Lake, Pennsylvania, $4,690,000:

Provided, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use funds appropriated in Public Law 104-206 to reimburse the local sponsor of the Fort Myers Beach, Florida, project for the maintenance dredging performed by the local sponsor to open the authorized channel to navigation in fiscal year 1996: Provided further, That no funds, whether appropriated, contributed, or otherwise provided, shall be available to the United States Army Corps of Engineers for the purpose of acquiring land in Jasper County, South Carolina, in connection with the Savannah Harbor navigation project: Provided, further, That the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to dredge a navigational channel in the Chena River at Fairbanks, Alaska, from its confluence with the Tanana River upstream to the University Road Bridge that will allow the safe passage during normal water levels of vessels up to 350 feet in length, 60 feet in width, and drafting up to 3 feet: Provided further, That using $6,000,000 of funds appropriated herein, the Secretary of the Army is directed to extend the navigation channel on the Allegheny River, Pennsylvania, project to provide passenger boat access to the Kittanning, Pennsylvania, Riverfront Park: Provided further, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use $2,500,000 of the funds provided herein to implement measures upstream of Lake Cumberland, Kentucky, to intercept and dispose of solid waste.

REGULATORY PROGRAM

For expenses necessary for administration of laws pertaining to regulation of navigable waters and wetlands, $106,000,000, to remain available until expended.

FLOOD CONTROL AND COASTAL EMERGENCIES

For expenses necessary for emergency flood control, hurricane, and shore protection activities, as authorized by section 5 of the Flood Control Act approved August 18, 1941, as amended, $4,000,000, to remain available until expended.

FORMERLY UTILIZED SITES REMEDIAL ACTION PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary to administer and execute the Formerly Utilized Sites Remedial Action Program to clean up contaminated sites throughout the United States where work was performed as part of the Nation's early atomic energy program, $140,000,000, to remain available until expended: Provided, That the unexpended balances of prior appropriations provided for these activities in this Act or any previous Energy and Water Development Appropriations Act may be transferred to and merged with this appropriation account, and thereafter, may be accounted for as one fund for the same time period as originally enacted.

GENERAL EXPENSES

For expenses necessary for general administration and related functions in the Office of the Chief of Engineers and offices of the Division Engineers, activities of the Coastal Engineering Research Board, the Humphreys Engineer Center Support Activity, the Engineering Strategic Studies Center, the Water Resources Support Center, and the USACE Finance Center, and for costs of implementing the Secretary of the Army's plan to reduce the number of division offices as directed in title I, Public Law 104–206, $148,000,000, to remain available until expended: Provided, That no part of any other appropriation provided in title I, of this Act shall be available to fund the activities of the Office of the Chief of Engineers or the executive direction and management activities of the division offices.

REVOLVING FUND

Amounts in the Revolving Fund may be used to construct a 17,000 square foot addition to the United States Army Corps of Engineers Alaska District main office building on Elmendorf Air Force Base. The Revolving Fund shall be reimbursed for such funding from the benefiting appropriations by collection each year of user fees sufficient to repay the capitalized cost of the asset and to operate and maintain the asset.

ADMINISTRATIVE PROVISION

Appropriations in this title shall be available for official reception and representation expenses (not to exceed $5,000); and during the current fiscal year the revolving fund, Corps of Engineers, shall be available for purchase (not to exceed 100 for replacement only) and hire of passenger motor vehicles.

GENERAL PROVISIONS

CORPS OF ENGINEERS—CIVIL

SEC. 101. In fiscal year 1998, the Secretary of the Army is authorized and directed to provide planning, design and construction assistance to non-Federal interests in carrying out water related environmental infrastructure and environmental resources development projects in Alaska, including assistance for wastewater treatment and related facilities; water supply, storage, treatment and distribution facilities; and development, restoration or improvement of wetlands and other aquatic areas for the purpose of protection and development of surface water resources: Provided, That the non-Federal interest shall enter into a binding agreement with the Secretary wherein the non-Federal interest will provide all lands, easements, rights-of-way, relocations, and dredge material disposal areas required for the projects, and pay 50 per centum of the costs of required feasibility studies, 25 per centum of the costs of designing and constructing the project, and 100 per centum of the costs of operation, maintenance, repair, replacement or rehabilitation of the project: Provided further, That the value of lands, easements, rights-of-way, relocations and dredged material disposal areas provided by the non-Federal interest shall be credited toward the non-Federal share, not to exceed 25 per centum, of the costs of designing and constructing the project: Provided further, That utilizing $5,000,000 of the funds appropriated herein, the Secretary is directed to carry out this section.

SEC. 102. GREEN BROOK SUB-BASIN FLOOD CONTROL PROJECT, NEW JERSEY.—No funds made available under this Act or any other Act for any fiscal year may be used by the Secretary of the Army to construct the Oak Way detention structure or the Sky Top detention structure in Berkeley Heights, New Jersey, as part of the project for flood control, Green Brook Subbasin, Raritan River Basin, New Jersey, authorized by section 401(a) of the Water Resources Development Act of 1986 (Public Law 99–662, 100 Stat. 4119).

TITLE II

DEPARTMENT OF THE INTERIOR

CENTRAL UTAH PROJECT

CENTRAL UTAH PROJECT COMPLETION ACCOUNT

For carrying out activities authorized by the Central Utah Project Completion Act, and for activities related to the Unitah and Upalco Units authorized by 43 U.S.C. 620, $40,353,000, to remain available until expended, of which $16,610,000 shall be deposited into the Utah Reclamation Mitigation and Conservation Account: Provided, That of the amounts deposited into that account, $5,000,000 shall be considered the Federal contribution authorized by paragraph 402(b)(2) of the Central Utah Project Completion Act and $11,610,000 shall be available to the Utah Reclamation Mitigation and Conservation Commission to carry out activities authorized under that Act.

In addition, for necessary expenses incurred in carrying out related responsibilities of the Secretary of the Interior, $800,000, to remain available until expended.

BUREAU OF RECLAMATION

For carrying out the functions of the Bureau of Reclamation as provided in the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) and other Acts applicable to that Bureau as follows:

WATER AND RELATED RESOURCES

(INCLUDING TRANSFER OF FUNDS)

For management, development, and restoration of water and related natural resources and for related activities, including the operation, maintenance and rehabilitation of reclamation and other facilities, participation in fulfilling related Federal responsibilities to Native Americans, and related grants to, and cooperative and other agreements with, State and local governments, Indian tribes, and others, $694,348,000, to remain available until expended, of which $18,758,000 shall be available for transfer to the Upper Colorado River Basin Fund and $56,442,000 shall be available for transfer to the Lower Colorado River Basin Development Fund, and of which such amounts as may be necessary may be advanced to the Colorado River Dam Fund: Provided, That such transfers may be increased or decreased within the overall appropriation under this heading: Provided further, That of the total appropriated, the amount for program activities that can be financed by the Reclamation Fund or the Bureau of Reclamation special fee account established by 16 U.S.C. 460l—6a(i) shall be derived from that Fund or account: Provided further, That funds contributed under 43 U.S.C. 395 are available until expended for the purposes for which contributed: Provided further, That funds advanced under 43 U.S.C. 397a shall be credited to this account and are available until expended for the same purposes as the sums appropriated under this heading: Provided further, That any amounts provided for the safety of dams modification work at Coolidge Dam, San Carlos Irrigation Project, Arizona, are in addition to the amount authorized in 43 U.S.C. 509: Provided further, That using $500,000 of funds appropriated herein, the Secretary of the Interior shall undertake a nonreimbursable project to install drains in the Pena Blanca area of New Mexico to prevent seepage from Cochiti Dam: Provided further, That funds available for expenditure for the Department Irrigation Drainage Program may be expended by the Bureau of Reclamation for site remediation on a nonreimbursable basis: Provided further, That the amount authorized for Indian municipal, rural, and industrial water features by Section 10 of Public Law 89–108, as amended by Section 8 of Public Law 99–294 and Section 1701(b) of Public Law 102–575, is increased by $1,300,000 (October, 1997 prices): Provided further, That the unexpended balances of the Bureau of Reclamation appropriation accounts for "Construction Program (Including Transfer of Funds)", "General Investigations", "Emergency Fund", and "Operation and Maintenance" shall be transferred to and merged with this account, to be available for the purposes for which they originally were appropriated: Provided further, That the Secretary of the Interior may use $2,500,000 of funds appropriated herein to initiate construction of the McCall Area Wastewater Reclamation and Reuse, Idaho, project.

BUREAU OF RECLAMATION LOAN PROGRAM ACCOUNT

For the cost of direct loans and/or grants, $10,000,000, to remain available until expended, as authorized by the Small Reclamation Projects Act of August 6, 1956, as amended (43 U.S.C. 422a–422l): Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $31,000,000.

In addition, for administrative expenses necessary to carry out the program for direct loans and/or grants, $425,000, to remain available until expended: Provided, That of the total sums appropriated, the amount of program activities that can be financed by the Reclamation Fund shall be derived from that Fund.

CENTRAL VALLEY PROJECT RESTORATION FUND

For carrying out the programs, projects, plans, and habitat restoration, improvement, and acquisition provisions of the Central Valley Project Improvement Act, such sums as may be collected in the Central Valley Project Restoration Fund pursuant to sections 3407(d), 3404(c)(3), 3405(f), and 3406(c)(1) of Public Law 102–575, to remain available until expended: Provided, That the Bureau of Reclamation is directed to levy additional mitigation and restoration payments totaling no more than $25,130,000 (October 1992 price levels) on a three-year rolling average basis, as authorized by section 3407(d) of Public Law 102–575.

CALIFORNIA BAY-DELTA ECOSYSTEM RESTORATION

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Department of the Interior and other participating Federal agencies in carrying out the California Bay-Delta Environmental Enhancement and Water Security Act consistent with plans to be approved by the Secretary of the Interior, in consultation with such Federal agencies, $85,000,000, to remain available until expended, of which such amounts as may be necessary to conform with such plans shall be transferred to appropriate accounts of such Federal agencies: Provided, That such funds may be obligated only as non-Federal sources provide their share in accordance with the cost-sharing agreement required under section 102(d) of such Act: Provided further, That such funds may be obligated

prior to the completion of a final programmatic environmental impact statement only if: (1) consistent with 40 C.F.R. 1506.1(c); and (2) used for purposes that the Secretary finds are of sufficiently high priority to warrant such an expenditure.

POLICY AND ADMINISTRATION

For necessary expenses of policy, administration, and related functions in the office of the Commissioner, the Denver office, and offices in the five regions of the Bureau of Reclamation, to remain available until expended, $47,558,000, to be derived from the Reclamation Fund and be nonreimbursable as provided in 43 U.S.C. 377: Provided, That no part of any other appropriation in this Act shall be available for activities or functions budgeted as policy and administrative expenses.

ADMINISTRATIVE PROVISION

Appropriations for the Bureau of Reclamation shall be available for purchase of not to exceed six passenger motor vehicles for replacement only.

TITLE III

DEPARTMENT OF ENERGY

ENERGY PROGRAMS

ENERGY SUPPLY

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for energy supply, and uranium supply and enrichment activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, $906,807,000.

NON-DEFENSE ENVIRONMENTAL MANAGEMENT

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for non-defense environmental management activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 1701 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction or expansion, $497,059,000, to remain available until expended.

URANIUM ENRICHMENT DECONTAMINATION AND DECOMMISSIONING FUND

For necessary expenses in carrying out uranium enrichment facility decontamination and decommissioning, remedial actions and other activities of title II of the Atomic Energy Act of 1954 and title X, subtitle A of the Energy Policy Act of 1992, $220,200,000, to be derived from the Fund, to remain available until expended: Provided, That $40,000,000 of amounts derived from the Fund for such expenses shall be available in accordance with title X, subtitle A, of the Energy Policy Act of 1992.

SCIENCE

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for science activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or facility or for plant or facility acquisition, construction, or expansion, and purchase of 15 passenger motor vehicles for replacement only, $2,235,708,000, to remain available until expended: Provided, That $35,000,000 of the unobligated balances originally available for Superconducting Super Collider termination activities shall be made available for other activities under this heading.

NUCLEAR WASTE DISPOSAL FUND

For nuclear waste disposal activities to carry out the purposes of Public Law 97–425, as amended, including the acquisition of real property or facility construction or expansion, $160,000,000, to remain available until expended, to be derived from the Nuclear Waste Fund; of which $4,000,000 shall be available to the Nuclear Regulatory Commission to license a multipurpose canister design; and of which not to exceed $5,000,000 may be provided to affected local governments, as defined in Public Law 97–425, to conduct appropriate activities pursuant to the Act: Provided, That the distribution of the funds to the units of local government shall be determined by the Department of Energy: Provided further, That the funds shall be made available to the units of local government by direct payment: Provided further, That within ninety days of the completion of each Federal fiscal year, each local entity shall provide certification to the Department of Energy, that all funds expended from such payments have been expended for activities as defined in Public Law 97–425. Failure to provide such certification shall cause such entity to be prohibited from any further funding provided for similar activities: Provided further, That none of the funds herein appropriated may be: (1) used directly or indirectly to influence legislative action on any matter pending before Congress or a State legislature or for lobbying activity as provided in 18 U.S.C. 1913; (2) used for litigation expenses; or (3) used to support multistate efforts or other coalition building activities inconsistent with the restrictions contained in this Act: Provided further, That none of the funds provided herein shall be distributed to the State of Nevada by direct payment, grant, or other means, for financial assistance under section 116 of the Nuclear Waste Policy Act of 1982, as amended: Provided further, That the foregoing proviso shall not apply to payments in lieu of taxes under section 116(c)(3)(A) of the Nuclear Waste Policy Act of 1982, as amended.

DEPARTMENTAL ADMINISTRATION

For salaries and expenses of the Department of Energy necessary for departmental administration in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the hire of passenger motor vehicles and official reception and representation expenses (not to exceed $35,000), $218,747,000, to remain available until expended: Provided, That moneys received by the Department for miscellaneous revenues estimated to total $131,330,000 in fiscal year 1998 may be retained and used for operating expenses within this account, and may remain available until expended, as authorized by section 201 of Public Law 95–238, notwithstanding the provisions of 31 U.S.C. 3302: Provided further, That the sum herein appropriated shall be reduced by the amount of miscellaneous revenues received during fiscal year 1998 so as to result in a final fiscal year 1998 appropriation from the General Fund estimated at not more than $87,417,000.

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $27,500,000, to remain available until expended.

ATOMIC ENERGY DEFENSE ACTIVITIES

WEAPONS ACTIVITIES

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other incidental expenses necessary for atomic energy defense weapons activities in carrying out the purposes of the Department of Energy Organization Act 42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and the purchase of passenger motor vehicles (not to exceed 70 for replacement only), $4,146,692,000, to remain available until expended: Provided, That funding for any ballistic missile defense program undertaken by the Department of Energy for the Department of Defense shall be provided by the Department of Defense according to procedures established for Work for Others by the Department of Energy.

DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT

For Department of Energy Expenses, including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for atomic energy defense environmental restoration and waste management activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and the purchase of passenger motor vehicles (not to exceed 6 for replacement only), $4,429,438,000, to remain available until expended; and, in addition, $200,000,000 for privatization projects, to remain available until expended.

DEFENSE FACILITIES CLOSURE PROJECTS

For expenses of the Department of Energy to accelerate the closure of defense environmental management sites, including the purchase, construction and acquisition of plant and capital equipment and other necessary expenses, $890,800,000, to remain available until expended.

OTHER DEFENSE ACTIVITIES

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for atomic energy defense, other defense activities, in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, and the purchase of passenger motor vehicles (not to exceed 2 for replacement only), $1,666,008,000, to remain available until expended.

DEFENSE NUCLEAR WASTE DISPOSAL

For nuclear waste disposal activities to carry out the purposes of Public Law 97–425, as amended, including the acquisition of real property or facility construction or expansion, $190,000,000, to remain available until expended.

POWER MARKETING ADMINISTRATIONS

OPERATION AND MAINTENANCE, ALASKA POWER ADMINISTRATION

For necessary expenses of operation and maintenance of projects in Alaska and of marketing electric power and energy, $3,500,000, to remain available until expended; and, in addition, $10,000,000 for capital assets acquisition, to remain available until expended.

BONNEVILLE POWER ADMINISTRATION FUND

Expenditures from the Bonneville Power Administration Fund, established pursuant to Public Law 93–454, are approved for the anadromous fish supplementation facilities in the Yakima River Basin, Methow River Basin and Upper Snake River Basin, for the Billy Shaw Reservoir resident fish substitution project, and for the resident trout fish culture facility in Southeast Idaho; and official reception and representation expenses in an amount not to exceed $3,000.

During fiscal year 1998, no new direct loan obligation may be made.

OPERATION AND MAINTENANCE, SOUTHEASTERN POWER ADMINISTRATION

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy pursuant to the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied

to the southeastern power area, $12,222,000, to remain available until expended; in addition, notwithstanding 31 U.S.C. 3302, not to exceed $20,000,000 in reimbursement for transmission wheeling and ancillary services, to remain available until expended.

OPERATION AND MAINTENANCE, SOUTHWESTERN POWER ADMINISTRATION

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy, and for construction and acquisition of transmission lines, substations and appurtenant facilities, and for administrative expenses, including official reception and representation expenses in an amount not to exceed $1,500 in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southwestern power area, $25,210,000, to remain available until expended; in addition, notwithstanding the provisions of 31 U.S.C. 3302, not to exceed $4,650,000 in reimbursements, to remain available until expended.

CONSTRUCTION, REHABILITATION, OPERATION AND MAINTENANCE, WESTERN AREA POWER ADMINISTRATION

(INCLUDING TRANSFER OF FUNDS)

For carrying out the functions authorized by title III, section 302(a)(1)(E) of the Act of August 4, 1977 (42 U.S.C. 7101 et seq.), and other related activities including conservation and renewable resources programs as authorized, including the replacement of not more than two helicopters through transfers, exchanges, or sale, and official reception and representation expenses in an amount not to exceed $1,500, $189,043,000, to remain available until expended, of which $182,806,000 shall be derived from the Department of the Interior Reclamation Fund: Provided, That of the amount herein appropriated, $5,592,000 is for deposit into the Utah Reclamation Mitigation and Conservation Account pursuant to title IV of the Reclamation Projects Authorization and Adjustment Act of 1992: Provided further, That the Secretary of the Treasury is authorized to transfer from the Colorado River Dam Fund to the Western Area Power Administration $5,592,000 to carry out the power marketing and transmission activities of the Boulder Canyon project as provided in section 104(a)(4) of the Hoover Power Plant Act of 1984, to remain available until expended.

FALCON AND AMISTAD OPERATING AND MAINTENANCE FUND

For operation, maintenance, and emergency costs for the hydroelectric facilities at the Falcon and Amistad Dams, $970,000, to remain available until expended, and to be derived from the Falcon and Amistad Operating and Maintenance Fund of the Western Area Power Administration, as provided in section 423 of the Foreign Relations Authorization Act, fiscal years 1994 and 1995.

FEDERAL ENERGY REGULATORY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Energy Regulatory Commission to carry out the provisions of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including services as authorized by 5 U.S.C. 3109, the hire of passenger motor vehicles, and official reception and representation expenses (not to exceed $3,000), $162,141,000, to remain available until expended: Provided, That notwithstanding any other provision of law, not to exceed $162,141,000 of revenues from fees and annual charges, and other services and collections in fiscal year 1998 shall be retained and used for necessary expenses in this account, and shall remain available until expended: Provided further, That the sum herein appropriated from the General Fund shall be reduced as revenues are received during fiscal year 1998 so as to result in a final fiscal year 1998 appropriation from the General Fund estimated at not more than $0.

DEPARTMENT OF ENERGY

GENERAL PROVISIONS

SEC. 301. (a) None of the funds appropriated by this Act or any prior appropriations Act may be used to award a management and operating contract unless such contract is awarded using competitive procedures or the Secretary of Energy grants, on a case-by-case basis, a waiver to allow for such a deviation. The Secretary may not delegate the authority to grant such a waiver.

(b) At least 60 days before a contract award, amendment, or modification for which the Secretary intends to grant such a waiver, the Secretary shall submit to the Subcommittees on Energy and Water Development of the Committees on Appropriations of the House of Representatives and the Senate a report notifying the subcommittees of the waiver and setting forth the reasons for the waiver.

SEC. 302. (a) None of the funds appropriated by this Act or any prior appropriations Act may be used to award, amend, or modify a contract in a manner that deviates from the Federal Acquisition Regulation, unless the Secretary of Energy grants, on a case-by-case basis, a waiver to allow for such a deviation. The Secretary may not delegate the authority to grant such a waiver.

(b) At least 60 days before a contract award, amendment, or modification for which the Secretary intends to grant such a waiver, the Secretary shall submit to the Subcommittees on Energy and Water Development of the Committees on Appropriations of the House of Representatives and the Senate a report notifying the subcommittees of the waiver and setting forth the reasons for the waiver.

SEC. 303. None of the funds appropriated by this Act or any prior appropriations Act may be used to—

(1) develop or implement a workforce restructuring plan that covers employees of the Department of Energy; or

(2) provide enhanced severance payments or other benefits for employees of the Department of Energy;

under section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 106 Stat. 2644; 42 U.S.C. 7274h).

SEC. 304. None of the funds appropriated by this Act or any prior appropriations Act may be used to augment the $61,159,000 made available for obligation by this Act for severance payments and other benefits and community assistance grants under section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 106 Stat. 2644; 42 U.S.C. 7274h).

SEC. 305. None of the funds appropriated by this Act or any prior appropriations Act may be used to prepare or initiate Requests For Proposals (RFPs) for a program if the program has not been funded by Congress.

(TRANSFERS OF UNEXPENDED BALANCES)

SEC. 306. The unexpended balances of prior appropriations provided for activities in this Act may be transferred to appropriation accounts for such activities established pursuant to this title. Balances so transferred may be merged with funds in the applicable established accounts and thereafter may be accounted for as one fund for the same time period as originally enacted.

TITLE IV

INDEPENDENT AGENCIES

APPALACHIAN REGIONAL COMMISSION

Foe expenses necessary to carry out the programs authorized by the Appalachian Regional Development Act of 1965, as amended, notwithstanding section 405 of said Act, and for necessary expenses for the Federal Co-Chairman and the alternate on the Appalachian Regional Commission and for payment of the Federal share of the administrative expenses of the Commission, including services as authorized by 5 U.S.C. 3109, and hire of passenger motor vehicles, $170,000,000, to remain available until expended.

DEFENSE NUCLEAR FACILITIES SAFETY BOARD

SALARIES AND EXPENSES

For necessary expenses of the Defense Nuclear Facilities Safety Board in carrying out activities authorized by the Atomic Energy Act of 1954, as amended by Public Law 100–456, section 1441, $17,000,000, to remain available until expended.

NUCLEAR REGULATORY COMMISSION

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Commission in carrying out the purposes of the Energy Reorganization Act of 1974, as amended, and the Atomic Energy Act of 1954, as amended, including the employment of aliens; services authorized by 5 U.S.C. 3109; publication and dissemination of atomic information; purchase, repair, and cleaning of uniforms; official representation expenses (not to exceed $20,000); reimbursements to the General Services Administration for security guard services; hire of passenger motor vehicles and aircraft, $468,000,000, to remain available until expended: Provided, That of the amount appropriated herein, $15,000,000 shall be derived from the Nuclear Waste Fund: Provided further, That from this appropriation, transfers of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred: Provided further, That moneys received by the Commission for the cooperative nuclear safety research program, services rendered to State governments, foreign governments and international organizations, and the material and information access authorization programs, including criminal history checks under section 149 of the Atomic Energy Act may be retained and used for salaries and expenses associated with those activities, notwithstanding 31 U.S.C. 3302, and shall remain available until expended: Provided further, That revenues from licensing fees, inspection services, and other services and collections estimated at $450,000,000 in fiscal year 1998 shall be retained and used for necessary salaries and expenses in this account, notwithstanding 31 U.S.C. 3302, and shall remain available until expended: Provided further, That $3,000,000 of the funds herein appropriated for regulatory reviews and other assistance provided to the Department of Energy and other Federal agencies shall be excluded from license fee revenues, notwithstanding 42 U.S.C. 2214: Provided further, That the sum herein appropriated shall be reduced by the amount of revenues received during fiscal year 1998 from licensing fees, inspection services and other services and collections, excluding those moneys received for the cooperative nuclear safety research program, services rendered to State governments, foreign governments and international organizations, and the material and information access authorization programs, so as to result in a final fiscal year 1998 appropriation estimated at not more than $18,000,000.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, including services authorized by 5 U.S.C. 3109, $4,800,000, to remain available until expended;

and in addition, an amount not to exceed 5 percent of this sum may be transferred from Salaries and Expenses, Nuclear Regulatory Commission: Provided, That notice of such transfers shall be given to the Committees on Appropriations of the House of Representatives and Senate: Provided further, That from this appropriation, transfers of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred: Provided further, That revenues from licensing fees, inspection services, and other services and collections shall be retained and used for necessary salaries and expenses in this account, notwithstanding 31 U.S.C. 3302, and shall remain available until expended: Provided further, That the sum herein appropriated shall be reduced by the amount of revenues received during fiscal year 1998 from licensing fees, inspection services, and other services and collections, so as to result in a final fiscal year 1998 appropriation estimated at not more than $0.

NUCLEAR WASTE TECHNICAL REVIEW BOARD

SALARIES AND EXPENSES

For necessary expenses of the Nuclear Waste Technical Review Board, as authorized by Public Law 100–203, section 5051, $2,600,000, to be derived from the Nuclear Waste Fund, and to remain available until expended.

TENNESSEE VALLEY AUTHORITY

For the purpose of carrying out the provisions of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. Ch. 12A), including hire, maintenance, and operation of aircraft, and purchase and hire of passenger motor vehicles, $70,000,000, to remain available until expended, of which $6,900,000 shall be available for operation, maintenance, surveillance, and improvement of Land Between the Lakes; and for essential stewardship activities for which appropriations were provided to the Tennessee Valley Authority in Public Law 104–206, such sums as are necessary in fiscal year 1999 and thereafter, to be derived only from one or more of the following sources: nonpower fund balances and collections; investment returns of the nonpower program; applied programmatic savings in the power and nonpower programs; savings from the suspension of bonuses and award; savings from reductions in memberships and contributions; increases in collections resulting from nonpower activities, including user fees; or increases in charges to private and public utilities both investor and cooperatively owned, as well as to direct load customers: Provided, That such funds are available to fund the stewardship activities under this paragraph, notwithstanding sections 11, 14, 15, 29, or other provisions of the Tennessee Valley Authority Act, as amended, or provisions of the TVA power bond covenants: Provided further, That the savings from, and revenue adjustments to, the TVA budget in fiscal year 1999 and thereafter shall be sufficient to fund the aforementioned stewardship activities such that the net spending authority and resulting outlays for these activities shall not exceed $0 in fiscal year 1999 and thereafter.

TITLE V

GENERAL PROVISIONS

SEC. 501. None of the funds appropriated by this Act may be used in any way, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before Congress, other than to communicate to Members of Congress as described in section 1913 of title 18, United States Code.

SEC. 502. (a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—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, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 503. None of the funds made available in this Act may be provided by contract or by grant (including a grant of funds to be available for student aid) to any institution of higher education, or subelement thereof, that is currently ineligible for contracts and grants pursuant to section 514 of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1997 (as contained in section 101(e) of division A of Public law 104–208; 110 Stat. 3009–270).

SEC. 504. None of the funds made available in this Act may be obligated or expended to enter into or renew a contract with a contractor that is subject to the reporting requirement set forth in subsection (d) of section 4212 of title 38, United States Code, but has not submitted the most recent report required by such subsection.

SEC. 505. None of the funds made available in this Act to pay the salary of any officer or employee of the Department of the Interior may be used for the Animas-La Plata Project, in Colorado and New Mexico, except for: (1) activities required to comply with the applicable provisions of current law; and (2) continuation of activities pursuant to the Colorado Ute Indian Water Rights Settlement Act of 1988 (Public Law 100–585).

SEC. 506. Section 1621 of title XVI of the Reclamation Wastewater and Groundwater Act, Public Law 104–266, is amended by—

(1) striking "study" in the section title and in subsection (a), and inserting "project" into the title and in subsection (a);

(2) inserting in subsection (a) "planning, design, and construction of the" following "to participate in the"; and

(3) inserting in subsection (a) "and nonpotable surface water" following "impaired ground water".

SEC. 507. Section 1208(a)(2) of the Yavapai-Prescott Indian Treaty Settlement Act of 1994 (Public Law 103–434) is amended by striking "$4,000,000 for construction" and inserting in lieu thereof "$13,000,000, at 1997 prices, for construction plus or minus such amounts as may be justified by reason of ordinary fluctuations of applicable cost indexes".

SEC. 508. (a) The State of West Virginia shall receive credit towards its required contribution under Contract No. DACW59–C–0071 for the cost of recreational facilities to be constructed by a joint venture of the State in cooperation with private interests for recreation development at Stonewall Jackson Lake, West Virginia, except that the State shall receive no credit for costs associated with golf course development and the amount of the credit may not exceed the amount owed by State under the Contract.

(b) The Corps of Engineers shall revise both the 1977 recreation cost-sharing agreement and the Park and Recreation Lease dated October 2, 1995 to remove the requirement that such recreation facilities are to be owned by the Government at the time of their completion as contained in Article 2–06 of the cost-sharing agreement and Article 36 of the lease.

(c) Nothing in this section shall reduce the amount of funds owed the United States Government pursuant to the 1977 recreation cost-sharing agreement.

SEC. 509. Amounts to be transferred to the Department of Energy by the United States Enrichment Corporation (USEC) pursuant to this section shall be retained and used for the specific purpose of development and demonstration of AVLIS technology for uranium enrichment: Provided, That, notwithstanding section 1605 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2297e–4), USEC shall transfer to the Department such sums as are necessary in fiscal year 1998 for AVLIS demonstration and development activities to be derived only from one or more of the following sources: savings from adjustments in the level of inventories; savings from reductions in capital and operating costs; savings from reductions in power costs including savings from increased use of off-peak power; or savings from adjustments in the amount of purchases: Provided further, That the savings from such reductions and adjustments in the amounts paid by USEC in fiscal year 1998 shall be sufficient to fund the aforementioned AVLIS demonstration and development activities such that the net spending authority and resulting outlays for these activities shall not exceed $0 in fiscal year 1998 and thereafter: Provided further, That, prior to transferring funds to the Department for AVLIS activities pursuant to this section, the Chief Financial Officer of USEC shall submit to the Committees on Appropriations of the House of Representatives and Senate an itemized listing of the amounts of the reductions made pursuant to this section to fund the proposed transfer: Provided further, That, by November 1, 1998, the Chief Financial Officer of USEC shall submit to the Committees on Appropriations of the House of Representatives and Senate an itemized listing of the amounts of the reductions made pursuant to this section for fiscal year 1998: Provided further, That the provisions in this section related to the transfer to and use by the Department of funds for AVLIS demonstration and development activities shall expire as of the privatization date for USEC, as defined in Section 3102 of the USEC Privatization Act (42 U.S.C. 2297h), and the total amount obligated by the Department pursuant to this section for AVLIS demonstration and development activities shall not exceed $60,000,000.

SEC. 510. (a) None of the funds appropriated or otherwise made available by this Act may be used to determine the final point of discharge for the interceptor drain for the San Luis Unit until development by the Secretary of the Interior and the State of California of a plan, which shall conform to the water quality standards of the State of California as approved by the Administrator of the Environmental Protection Agency, to minimize any detrimental effect of the San Luis drainage waters.

(b) The costs of the Kesterson Reservoir Cleanup Program and the costs of the San Joaquin Valley Drainage Program shall be classified by the Secretary of the Interior as reimbursable or nonreimbursable and collected until fully repaid pursuant to the "Cleanup Program—Alternative Repayment Plan" and the "SJVDP—Alternative Repayment Plan" described in the report entitled "Repayment Report, Kesterson Reservoir Cleanup Program and San Joaquin Valley Drainage Program, February 1995", prepared by the Department of the Interior, Bureau of Reclamation. Any future obligations of funds by the United States relating

to, or providing for, drainage service or drainage studies for the San Luis Unit shall be fully reimbursable by San Luis Unit beneficiaries of such service or studies pursuant to Federal Reclamation law.

SEC. 511. MAINTENANCE OF SECURITY AT THE GASEOUS DIFFUSION PLANTS.—Section 3107 of the USEC Privatization Act (42 U.S.C. 2297h-5) is amended by adding at the end the following:

"(h) MAINTENANCE OF SECURITY.—

"(1) IN GENERAL.—With respect to the Paducah Gaseous Diffusion Plant, Kentucky, and the Portsmouth Gaseous Diffusion Plant, Ohio, the guidelines relating to the authority of the Department of Energy's contractors (including any Federal agency, or private entity operating a gaseous diffusion plant under a contract or lease with the Department of Energy) and any subcontractor (at any tier) to carry firearms and make arrests in providing security at Federal installations, issued under section 161k. of the Atomic Energy Act of 1954 (42 U.S.C. 2201k.) shall require, at a minimum, the presence of an adequate number of security guards carrying sidearms at all times to ensure maintenance of security at the gaseous diffusion plants (whether a gaseous diffusion plant is operated directly by a Federal agency or by a private entity under a contract or lease with a Federal agency).

SEC. 512. None of the funds made available in this or any other Act may be used to restart the High Flux Beam Reactor.

This Act may be cited as the "Energy and Water Development Appropriations Act, 1998".

And the Senate agree to the same.

JOSEPH MCDADE,
HAROLD ROGERS,
JOE KNOLLENBERG,
R.P. FRELINGHUYSEN,
MIKE PARKER,
SONNY CALLAHAN,
JAY DICKEY,
BOB LIVINGSTON,
VIC FAZIO,
PETER J. VISCLOSKY,
CHET EDWARDS,
ED PASTOR,
DAVID R. OBEY,
Managers on the Part of the House.

PETE V. DOMENICI,
THAD COCHRAN,
SLADE GORTON,
MITCH MCCONNELL,
ROBERT F. BENNETT,
CONRAD BURNS,
LARRY CRAIG,
TED STEVENS,
HARRY REID,
ROBERT C. BYRD,
FRITZ HOLLINGS,
PATTY MURRAY,
HERB KOHL,
BYRON L. DORGAN,
DANIEL K. INOUYE,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two houses on the amendment of the Senate of the bill (H.R. 2203) making appropriations for energy and water development for the fiscal year ending September 30, 1998, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effects of the action agreed upon by the managers and recommended in the accompanying conference report.

The language and allocations set forth in House Report 105-190 and Senate Report 105-44 should be complied with unless specifically addressed to the contrary in the conference report and statement of the managers. Report language included by the House which is not contradicted by the report of the Senate or the conference, and Senate report language which is not contradicted by the report of the House or the conference is approved by the committee on conference. The statement of the managers, while repeating some report language for emphasis, does not intend to negate the language referred to above unless expressly provided herein. In cases where both the House report and Senate report address a particular issue not specifically addressed in the conference report or joint statement of managers, the conferees have determined that the House and Senate reports are not inconsistent and are to be interpreted accordingly. In cases in which the House or Senate have directed the submission of a report, such report is to be submitted to both House and Senate Committees on Appropriations.

Senate amendment: The Senate deleted the entire House bill after the enacting clause and inserted the Senate bill. The conference agreement includes a revised bill.

TITLE I

DEPARTMENT OF DEFENSE—CIVIL

The summary tables at the end of this title set forth the conference agreement with respect to the individual appropriations, programs, and activities of the Corps of Engineers. Additional items of conference agreement are discussed below.

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

GENERAL INVESTIGATIONS

The conference agreement appropriates $156,804,000 for General Investigations instead of $157,260,000 as proposed by the House and $164,065,000 as proposed by the Senate.

The conference agreement includes $100,000 for the Corps of Engineers to undertake a reconnaissance study of the need for navigational improvements on the Mobile, Tombigbee, and Black Warrior Rivers in accordance with the resolution (Docket #2512) adopted on May 7, 1997, by the Committee on Transportation and Infrastructure of the House of Representatives.

The conferees have provided an additional $200,000 for the Corps of Engineers to accelerate work on the feasibility study for the development of a comprehensive basin management plan for navigation, including recreational navigation, environmental restoration, and water quality for the Dog River, Alabama, watershed.

The conference agreement includes $270,000 for the Newport Bay Harbor, California, study, the same as the budget request. Within the funds provided, $100,000 is for the Corps of Engineers to undertake a reconnaissance study for management of the Newport Bay/San Diego Creek Watershed in the interest of environmental preservation and restoration, water quality and sediment control, and the avoidance or minimization of undesirable impacts resulting from urbanization and other present and future watershed activities.

The conferees have provided $40,000 for completion of the feasibility study for navigational improvements at Port Hueneme in California, the same as the budget request. Federal interest recommendations for channel improvements shall be based on the potential for future shipping operations at the port.

The conference agreement includes $100,000 for the Corps of Engineers to initiate a reconnaissance study of options for increased flood protection along the Toulumne River and its tributaries.

The conferees direct the Secretary of the Army to use the $600,000 provided for the Truckee Meadows, Reno, Nevada, project authorized by Section 3(a)(10) of the Water Resources Development Act of 1988 to resume preconstruction engineering and design incorporating recent data from the 1996/1997 flooding event.

The conference agreement includes $200,000 for the Corps of Engineers to participate in the development of Special Area Management Plans in Orange and San Diego Counties, California, as described in the House report.

The conference agreement includes $500,000 for the Corps of Engineers to modify the Lower West Branch Susquehanna River Basin Environmental Restoration, Pennsylvania, reconnaissance study to address the wide range of complex water resources problems in the large study area which includes Clinton, Northumberland, Lycoming, Sullivan, Tioga, and Union Counties, Pennsylvania and, as requested, to negotiate separate feasibility study agreements with state, county, and other public interests for subwatersheds within the river basin.

The conference agreement includes $500,000 as proposed by the Senate for a study of the Grand Neosho River basin in Oklahoma as proposed by the Senate. The conferees have agreed to move the funds for this effort to the Operation and Maintenance, General account.

The conferees agree that funds provided for the Lower Platte River and Tributaries, Nebraska, study should also be used to conduct studies authorized by Section 503(d)(11) of the Water Resources Development Act of 1996.

For the Lower Potomac Estuary Watershed, Virginia and Maryland, study, the conferees expect the Corps of Engineers to negotiate separate feasibility study cost-sharing agreements with state and local interests in Virginia and Maryland for individual sub-basins within the watershed.

The conference agreement includes $8,500,000 for Coordination Studies With Other Agencies. Within the funds provided, the conferees urge the Corps of Engineers to work with the Riverside County, California, Flood Control and Water Conservation District to complete the floodplain maintenance plan for Murrieta Creek and to participate in the development of Special Area Management Plans in southern California in coordination with the State of California Natural Community Conservation Planning Program. In addition, the amount provided includes $400,000 for the Pacific Northwest forest case study as described in the Senate report.

The conference agreement includes $32,000,000 for the Corps of Engineers Research and Development program instead of $27,000,000 as proposed by the House and $37,000,000 as proposed by the Senate. The amount provided includes $2,000,000 for the development of strategies for the control of zebra mussels and the full budget request for the CFIRMS program.

The conferees have included language in the bill earmarking funds for the following projects in the amounts specified: Delaware Bay Coastline, Delaware and New Jersey, $456,000; Tampa Harbor, Alafia Channel, Florida, $270,000; Laulaulei, Hawaii, $200,000; Barnegat Inlet to Little Egg Harbor Inlet, New Jersey, $400,000; Brigantine Inlet to Great Egg Harbor Inlet, New Jersey, $472,000; Great Egg Harbor Inlet to Townsends Inlet, New Jersey, $400,000; Lower Cape May Meadows—Cape May Point, New Jersey, $154,000; Manasquan Inlet to Barnegat Inlet, New Jersey, $400,000; Raritan Bay to Sandy Hook Bay

(Cliffwood Beach), New Jersey $300,000; Townsends Inlet to Cape May Inlet, New Jersey, $500,000; and Monongahela River, Fairmont, West Virginia, $350,000.

The conference agreement deletes funds earmarked in the Senate bill for the Norco Bluffs, California, project. This project has been funded in the Construction, General, account.

The conference agreement deletes language contained in the Senate bill providing funds for the Tahoe Basin study in California and Nevada. The amount appropriated for General Investigations includes $750,000 for this project. The conference agreement also deletes language contained in the Senate bill providing funds for preconstruction engineering and design for the Delaware Coast from Cape Henlopen to Fenwick Island, Delaware, project. The amount appropriated for General Investigations includes $300,000 for preconstruction engineering and design of the project.

The conference agreement includes language proposed by the House which directs the Corps of Engineers to initiate feasibility phase studies of extending commercial navigation on the Red River upstream of Shreveport-Bossier, Louisiana, into southwest Arkansas using previously appropriated funds and language proposed by the House which directs the Corps of Engineers to initiate feasibility phase studies for the Metropolitan Louisville, Southwest, Kentucky, study.

The conferees have also included language in the bill directing the Corps of Engineers to use $150,000 to implement Section 211(f)(8) of the Water Resources Development Act of 1996 and to reimburse the non-Federal sponsor a portion of the Federal share of project costs for the White Oak Bayou, Texas, project, and language directing the Corps of Engineers to use $500,000 to implement Section 211(f)(7) of the Water Resources Development Act of 1996 and to reimburse the non-Federal sponsor a portion of the Federal share of project costs for the Hunting Bayou, Texas, project.

CONSTRUCTION, GENERAL

The conference agreement appropriates $1,473,373,000 for Construction, General, instead of $1,475,892,000 as proposed by the House and $1,284,266,000 as proposed by the Senate.

The conferees agree with the language in the Senate report regarding the Faulkner's Island, Connecticut, project.

The Secretary of the Army is directed to use $600,000 of available funds to plan and implement a flood warning system for Reno, Nevada, using, to the maximum extent possible, work of non-Federal entities.

The conference agreement includes $1,140,000 for the Canaveral Harbor Deepening, Florida, project. The funds provided include $640,000 to reimburse the local sponsor for the Federal share of revetment work completed by the sponsor and $500,000 for widening of the entrance channel.

With the funds provided for the East Rockaway Inlet to Rockaway Inlet and Jamaica Bay, New York, project the conferees direct the Corps of Engineers to initiate a reevaluation report to identify more cost-effective measures of providing storm damage protection for the project. In conducting the reevaluation, the Corps should include consideration of using dredged material from maintenance dredging of East Rockaway Inlet and should also investigate the potential for ecosystem restoration within the project area.

Within the funds provided for the Chesapeake Bay Environmental Restoration and Protection Program, the conferees expect the Corps of Engineers to give priority to projects that protect the environmental, historic, and cultural resources of Smith Island, Maryland and Virginia.

The conference agreement provides funding for small boat harbor projects at Knife River, McQuade Road (Duluth), Taconite Harbor, and Two Harbors, Minnesota. Each of these projects is fully authorized. By providing funding for these projects, the conferees intend that these badly needed projects proceed expeditiously, and direct the Secretary of the Army to expedite the consideration and construction of these projects. In addition, the Secretary is to preserve scarce Federal, state, and local resources by utilizing a flexible approach in pursuing these projects. The managers are aware that, in the construction of another small boat harbor at Silver Bay, a cooperative effort with state and local interests allowed for the swift and satisfactory completion of the project. The managers direct the Secretary to employ similar procedures, including using existing feasibility and other study documents and designs prepared by the State of Minnesota, and to construct the project in cooperation with the state.

The conference agreement includes $3,100,000 for the Corps of Engineers to complete planning engineering and design and initiate construction of the Lower Basin and Stony Brook portions of the Raritan River Basin, Green Brook Sub-Basin, New Jersey, project. Within the funds provided, $100,000 shall be used to reevaluate alternative plans for the Upper Basin portion of the project. Language has been included under General Provisions, Corps of Engineers—Civil, which provides that no funds made available in this Act or any other Act for any fiscal year may be utilized by the Secretary of the Army to construct the Oak Way detention structure or the Sky Top detention structure in Berkeley Heights, New Jersey, as part of the project for flood control.

The conference agreement includes $95,000,000 for the Columbia River Juvenile Fish Mitigation program in Washington, Oregon, and Idaho instead of $85,000,000 as proposed by the House and $117,000,000 as proposed by the Senate. The conferees note that the budget request for this program appeared to reflect the pursuit of multiple restoration strategies. Some of these may not be adopted, rendering expensive measures obsolete. The conferees request the Northwest Power Planning Council, with assistance from the Independent Scientific Advisory Board (to the extent that the Board feels it can participate without compromising its primary function), established jointly with the National Marine Fisheries Service, to conduct a review of the major fish mitigation capital construction activities proposed for implementation at the Federal dams in the Columbia River Basin including those called for in the 1995 Biological Opinion of the National Marine Fisheries Service regarding the Snake River salmon. The review shall be completed by June 30, 1998. Upon completion of the review, the Corps of Engineers shall seek regional recommendations, as provided by the Bonneville Power Administration Fish and Wildlife Budget Memorandum of Agreement dated September 16, 1996, on implementing the recommendations contained in the review. In addition, the findings of the review shall be supplied to the House and Senate Appropriations Committees.

The conference agreement includes a total of $58,267,000 for the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project. In addition to the amounts in the budget request, the conference agreement includes: $26,390,000 for the Harlan, Williamsburg, and Middlesboro, Kentucky, elements; $5,300,000 for the Pike County, Kentucky, element; $5,000,000 for the Martin County, Kentucky, element; $700,000 for the Town of Martin, Kentucky, element; $500,000 for a Detailed Project Report for the Buchanan County, Virginia, element; $1,000,000 for the Hatfield Bottom, West Virginia, element; $6,300,000 for the Lower Mingo (Kermit), West Virginia, element; $150,000 for a Detailed Project Report for the Lower Mingo, West Virginia, element; $3,000,000 for the Upper Mingo, West Virginia, element; $1,200,000 for the Wayne County, West Virginia, element; $400,000 for a flood warning system for the Levisa Basin; and $400,000 for a flood warning system for the Tug Fork Basin. In addition, the conferees are aware of the flood situation at Haysi Dam and urge the Corps of Engineers to reevaluate the benefit-cost analysis and provide to the Committees on Appropriations of the House and the Senate a report on the Haysi Dam, Virginia, element of the project prior to submission of the fiscal year 1999 budget. The conference agreement also deletes language proposed by the Senate which provided that flood warning systems for the Tug Fork and Levisa Basins would be undertaken at full Federal expense.

Using $463,000 of the funds provided for the LaFarge Lake and Kickapoo River, Wisconsin, project, the Corps of Engineers is directed to complete the Memorandum of Understanding between the Ho-Chunk Nation and the State of Wisconsin, evaluate a conservation easement, covenant, or other appropriate legal instrument for the protection of archeological resources at the site, start processing real estate documents for future land transfers, and continue coordination activities as authorized by the Water Resources Development Act of 1996. The remaining $250,000 is for planning and engineering of the highway relocations and to complete required NEPA documentation as authorized.

The conference agreement includes $40,000,000 for the Section 205 program. Using those funds, the Corps of Engineers is directed to proceed with the projects described in the House and Senate reports. For the Lake Carl Blackwell project in Oklahoma, the Corps of Engineers may use available funds to proceed with plans and specifications for the project. In addition, the Corps of Engineers is directed to proceed with studies of flooding problems along Dry Creek in Cortland County, New York, and the Lamoille and Missisquoi Rivers in Vermont.

The conferees agree that the Huntsville Spring Branch, Alabama, project funded by the House under Section 206 of the Water Resources Development Act of 1996 should proceed as a small flood control project under the Section 205 program. The conferees also agree that the Reno, Nevada, project and the Lycoming County, Pennsylvania, project should proceed under the Section 205 program.

The conference agreement includes $11,000,000 for the Section 14 program. Using those funds, the Corps of Engineers is directed to proceed with the projects described in the House and Senate reports.

The conference agreement includes $3,000,000 for the Section 103 program. Using those funds, the Corps of Engineers is directed to proceed with the projects described in the House report.

The conference agreement includes $11,400,000 for the Section 107 program. Using

those funds, the Corps of Engineers is directed to proceed with the projects described in the House and Senate reports.

The conference agreement includes $2,000,000 for the Section 208 program. Using those funds, the Corps of Engineers is directed to proceed with the projects described in the House report.

The aquatic restoration project at Hamilton Army Airfield in Marin County, California, funded under the Section 204 program by the House has been funded under the General Investigations account.

The conference agreement includes $21,175,000 for the Section 1135 program. Using those funds, the Corps of Engineers is directed to proceed with the projects described in the House and Senate reports.

The conference agreement includes $6,000,000 for the Section 206 program. Using those funds, the Corps of Engineers is directed to proceed with the projects described in the House and the Senate reports. In addition, the Corps of Engineers is directed to proceed with a project to restore environmental resources along Cache Creek in California. Abandoned gravel pits along the lower Cache Creek corridor would be used to restore seasonal and permanent wetlands and riparian habitat.

The conferees have included language in the bill earmarking funds for the following projects in the amounts specified: Arkansas River, Tucker Creek, Arkansas, $300,000; Norco Bluffs, California, $1,000,000; San Timoteo Creek (Santa Ana River Mainstem), California, $5,000,000; Panama City Beaches, Florida, $5,000,000; Tybee Island, Georgia, $2,000,000; Indianapolis Central Waterfront, Indiana $5,000,000; Indiana Shoreline Erosion, Indiana, $3,000,000; Lake George, Hobart, Indiana, $3,500,000; Ohio River Flood Protection, Indiana $1,300,000; Harlan, Williamsburg, and Middlesboro (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky, $26,390,000; Martin County (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky, $5,000,000; Pike County (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky, $5,300,000; Town of Martin (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky, $700,000; Levisa Basin Flood Warning System (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky and Virginia, $400,000; Salyersville, Kentucky, $2,050,000; Southern and Eastern Kentucky, Kentucky, $3,000,000; Lake Pontchartrain and Vicinity (Hurricane Protection), Louisiana, $22,920,000; Lake Pontchartrain Stormwater Discharge, Louisiana, $3,000,000; Jackson County, Mississippi, $3,000,000; Natchez Bluff, Mississippi, $4,000,000; Pearl River (Walkiah Bluff), Mississippi, $2,000,000; Joseph G. Minish Passaic River Park, New Jersey, $3,000,000; Hudson River, Athens, New York, $8,700,000; Lackawanna River, Olyphant, Pennsylvania, $1,400,000; Lackawanna River, Scranton, Pennsylvania, $5,425,000; Lycoming County, Pennsylvania, $339,000; South Central Pennsylvania Environment Improvement Program, Pennsylvania, $30,000,000; Wallisville Lake, Texas, $9,200,000; Virginia Beach, Virginia (Reimbursement), $925,000; Virginia Beach (Hurricane Protection), Virginia, $13,000,000; West Virginia and Pennsylvania Flood Control, West Virginia and Pennsylvania $3,000,000; Hatfield Bottom (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), West Virginia, $1,000,000; Lower Mingo (Kermit) (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), West Virginia, $6,300,000; Lower Mingo Tributaries Supplement (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), West Virginia, $150,000; Upper Mingo County (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), West Virginia, $3,000,000; Tug Fork Basin Flood Warning System (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), West Virginia, $400,000; and Wayne County (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), West Virginia, $1,200,000.

For the South Central Pennsylvania Infrastructure Program, within the $10,000,000 provided for water-related environmental infrastructure and resource protection and development projects in Lackawanna, Lycoming, Susquehanna, Wyoming, Pike, and Monroe Counties in Pennsylvania, $1,000,000 is for Olyphant Borough, Lackawanna County; $1,000,000 is for Jefferson Township, Lackawanna County; $2,000,000 is for Scott Township Water and Sewer Authority, Lackawanna County; $2,850,000 is for Westfall Municipal Sewage Authority, Pike County; $800,000 is for the Township of Tobyhanna Sewer Authority, Monroe County; $750,0000 is for Thompson Borough, Susquehanna County; $900,000 is for Old Lycoming Township Sewer Authority, Lycoming County; and $700,000 is for Lycoming County Water and Sewer Authority for a public sewer extension in Armstrong Township, Lycoming County.

The conference agreement includes language in the bill directing the Secretary of the Army to: use $225,000 to undertake repairs to the flume and conduit at Hagerman's Run for the flood control project at Williamsport, Pennsylvania; proceed with design and construction of the Southeast Louisiana, Louisiana, project using continuing contracts consistent with the limit of the authorized appropriation ceiling; incorporate the economic analyses for the Green Ridge and Plot Sections of the Lackawanna River, Scranton, Pennsylvania, project with the analysis for the Albright Street section of the project and cost-share and implement the combined sections as single project; combine three separate navigation improvements projects in Wilmington Harbor, North Carolina, into a single project; to use $20,000,000 to initiate construction of the Houston-Galveston Navigation Channels, Texas, project and execute a Project Cooperation Agreement for the entire authorized project.

The conferees are aware that the U.S. Army Corps of Engineers has determined, pursuant to the requirements of Section 533(d) of the Water Resources Development Act of 1996, that additional work to be carried out on the Southeast Louisiana, Louisiana, project with funds in excess of the amount authorized to be appropriated in Section 533(c) of said Act is technically sound, environmentally acceptable, and economic. Therefore, the conferees direct the Corps of Engineers to proceed immediately with design and construction of the entire Southeast Louisiana project.

The conference agreement also includes language that increases the appropriation ceiling for the Rillito River, Arizona, project and language that provides $5,000,000 for the Corps of Engineers to initiate construction of an emergency outlet from Devils Lake, North Dakota, to the Sheyenne River subject to a number of conditions. The Senate language has been amended to make technical corrections regarding the designation of the project as an emergency.

The conference agreement deletes funds earmarked in the House bill for the Flint River, Michigan, project. The project has been funded in the Operation and Maintenance, General account.

The conference agreement deletes language contained in the Senate bill earmarking funds for the Red River Emergency Bank Protection, Arkansas, project.

The conferees direct the Secretary of the Army to consider the recommendation of the Special Reevaluation Report for the McCook Reservoir, Illinois, project as developed by the Corps of Engineers Chicago District. The conference agreement deletes language contained in the Senate bill regarding this issue.

The conference agreement also includes bill language directing the Secretary of the Army to use $2,000,000 to implement Section 211(f)(6) of the Water Resources Development Act of 1996 and to reimburse the non-Federal sponsor for a portion of the Federal share of the project costs for the Brays Bayou, Texas, project.

In light of the current budgetary situation, the conferees are concerned with the funding implications associated with any projects which the Secretary of the Army approves for construction by non-Federal sponsors under reimbursement authorities, such as Section 211 of the Water Resources Development Act of 1996. The conferees are particularly concerned with the ability to provide funding for reimbursement agreements while trying to meet the funding demands for ongoing Federal construction projects nationwide. Therefore, the conferees direct the Secretary of the Army to notify the Committees on Appropriations of the House and the Senate prior to initiating negotiations for a reimbursement agreement for construction of any project. Such notification shall include the total commitment and the annual requirements that the Administration proposes to support in future budget submissions. The conferees urge the Secretary to reimburse a non-Federal sponsor for applicable costs only after the Secretary and the non-Federal sponsor have entered into a formal written agreement specifying the terms and conditions for the reimbursement. Given the need to establish a disciplined and orderly schedule for reimbursements, the conferees expect that the terms of the agreement will specify that reimbursements for the Federal share of project costs will be provided on an incremental basis in accordance with the terms of the agreement and on a schedule that would be consistent with a Federal construction schedule. In addition, in recognition of the need to protect the Federal interest, the conferees suggest that the Secretary include a provision in the agreement that will allow the Secretary to withhold scheduled reimbursement to the non-Federal sponsor or require the non-Federal sponsor to remit previously received reimbursements in the event that the sponsor fails to complete the entire project or a separable element of the project.

FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES, ARKANSAS, ILLINOIS, KENTUCKY, LOUISIANA, MISSISSIPPI, MISSOURI, AND TENNESSEE

The conference agreement appropriates $296,212,000 for Flood Control, Mississippi River and Tributaries instead of $285,450,000 as proposed by the House and $289,000,000 as proposed by the Senate.

The conference agreement provides $31,000,000 for the Mississippi River Levees element of the Mississippi River and Tributaries project. The increase over the budget

request shall be used to bring mainline levees up to grade as described in the House report and to advance construction of the Commerce to Birds Point levee in Missouri.

The conference agreement includes $900,000 with which the Corps of Engineers is directed to complete preconstruction engineering and design and initiate construction for the Louisiana State Penitentiary Levee project.

The conferees expect the Corps of Engineers to expedite work on East Goose Creek in Oxford, Mississippi, under the Yazoo Basin Demonstration Erosion Control Program.

The conference agreement includes language proposed by the Senate authorizing and directing the Corps of Engineers to use funds appropriated in this Act or previously appropriated funds to complete remedial measures to prevent slope instability at Hickman Bluff, Kentucky.

The conference agreement includes language which directs the Secretary of the Army to use up to $4,000,000, including $1,900,000 appropriated in this Act, to dredge Sardis Lake, Mississippi, at full Federal expense, and which directs the Secretary of the Army to conduct, at full Federal expense, the necessary environmental assessment and impact studies for the initial components of Sardis Lake development.

OPERATION AND MAINTENANCE, GENERAL

The conference agreement appropriates $1,740,025,000 for Operation and Maintenance, General, instead of $1,726,955,000 as proposed by the House and $1,661,203,000 as proposed by the Senate.

The conferees have provided an additional $150,000 under the McNary Lock and Dam project in Oregon and Washington for the Corps of Engineers to address questions and concerns raised in litigation associated with the Kennewick Man skeleton, ancient remains found at Columbia Park on the Columbia River near Kennewick, Washington. The additional funds will allow the Corps to continue to store the remains in a manner that preserves their scientific, historic, and cultural value, address questions regarding testing of material, conduct site evaluations, and acquire expert services.

The conferees agree with the language in the Senate report regarding the Charleston Harbor, South Carolina, project.

The conference agreement includes $400,000 for the Corps of Engineers to proceed with the Corpus Christi Ship Channel, Rincon Canal System, Texas, project as authorized by Section 509 of the Water Resources Development Act of 1996.

For the Green Bay Harbor, Wisconsin, diked disposal project, the conferees expect the Corps of Engineers to use the funds provided to expand the existing Section 123 facility at Bay Port using the local and state approved designs. Further, the conferees intend the Bay Port expansion to be funded using the funding arrangements specified in Section 201 of the Water Resources Development Act of 1996.

The attention of the Corps of Engineers is directed to the following projects in need of maintenance of review: Alabama-Coosa River navigation system; Brunswick Harbor, Georgia; and Little and Murrells Inlets in South Carolina.

The conference agreement includes language in the bill earmarking funds for the following projects in the amounts specified: Anclote River, Florida, $1,500,000; Beverly Shores, Indiana, $1,700,000; Boston Harbor, Massachusetts, $16,500,000; Flint River, Michigan, $875,000; and Raystown Lake, Pennsylvania, $4,690,000.

The conference agreement includes an additional $2,170,000 for the Raystown Lake, Pennsylvania, project for the Corps of Engineers to implement recommendations of the 1992 update of the project Master Plan and for continued operation and maintenance of project facilities.

The conference agreement includes language proposed by the House directing the Corps of Engineers to reimburse the local sponsor for the Fort Myers Beach, Florida, project for maintenance dredging performed by the local sponsor using previously appropriated funds.

The conference agreement includes language proposed by the Senate which provides that none of the funds appropriated in the Act shall be used for the purpose of acquiring land in Jasper County, South Carolina, in connection with the Savannah Harbor navigation project and language proposed by the Senate authorizing and directing the Corps of Engineers to dredge a navigation channel in the Chena River at Fairbanks, Alaska.

Language has been included in the bill which directs the Secretary of the Army to use $6,000,000 of the funds appropriated in the Act to extend the navigation channel on the Allegheny River project to provide passenger boat access to the Kittanning, Pennsylvania, Riverfront Park.

The conference agreement includes language in the bill directing the Corps of Engineers to use $2,500,000 to implement measures upstream of Lake Cumberland in Kentucky to intercept and dispose of solid waste. The conferees expect the Corps of Engineers to proceed with this measure in a manner that is economically feasible and in accordance with applicable law.

REGULATORY PROGRAM

The conference agreement appropriates $106,000,000 for the Regulatory Program as proposed by the Senate instead of $112,000,000 as proposed by the House.

The conferees expect that the increase provided over the amount appropriated in fiscal year 1997 will be used to begin implementation of an administrative appeals process for the Corps of Engineers Regulatory Program.

Not later than 30 days after the date of enactment of this Act, the Secretary of the Army, acting through the Chief of Engineers, is urged to make a final decision with respect to the permits applied for under permit application number 95-2-00970 for the replacement of the existing 350-foot wood dock with a 400-foot concrete extension of the existing Terminal 5 dock (including associated dredging and filling) in the West Waterway of the Duwamish River in Seattle, Washington. The Secretary shall not reject that application on the basis of any claim of Indian treaty rights, but shall leave any question with respect to such rights to be determined in the course of judicial review of his action on the same basis as any other permit under Section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344).

FLOOD CONTROL AND COASTAL EMERGENCIES

The conference agreement appropriates $4,000,000 for Flood Control and Coastal Emergencies instead of $14,000,000 as proposed by the House and $10,000,000 as proposed by the Senate.

The conferees have agreed to include the language proposed by the Senate directing that construction of the Ten and Fifteen Mile Bayou channel enlargement project be considered as an integral part of the St. Francis Basin, Arkansas and Missouri, project under the Mississippi River and Tributaries account.

The conferees are concerned that funding provided by PL 105-18, the Emergency Supplemental Appropriations Act of 1997, is not being vigorously applied to necessary repairs and projects resulting from the disaster events of 1996 and 1997 because of an overly restrictive interpretation of PL 84-99 by the Corps of Engineers.

For example, the Corps of Engineers has determined that many of the levees in the Sacramento and San Joaquin River Basins, California, which were affected by this year's catastrophic flood, are ineligible for repair and rehabilitation with Flood Control and Coastal Emergency funds due to conditions which are considered to have existed before the flood. In addition, some projects have been rejected by not considering the economic benefits to the system as a whole.

Problems across the country are similar, where the Corps has ruled projects ineligible that may be within the scope of the statute and are likely to prevent even greater expenditures should there be future disasters. The problem is particularly acute because of the unknown effects of the impending El Nino weather system and the imminent threat that it poses to many areas of the country.

The conferees are committed to ensuring that the people and their homes, schools, and economic livelihoods, as well as critical infrastructure, are protected against future floods and direct the Corps of Engineers to perform an immediate reassessment of all projects considered for funding under PL 105-18 where PL 84-99 funding has been denied. Every effort should be made to make use of the previously-appropriated emergency funds for any and all authorized purposes within the entire reading of the statute.

FORMERLY UTILIZED SITES REMEDIAL ACTION PROGRAM

The conference agreement appropriates $140,000,000 for the Formerly Utilized Sites Remedial Action Program (FUSRAP) instead of $110,000,000 as proposed by the House and $162,000,000 as proposed by the Senate. The conference agreement also transfers the FUSRAP program from the Department of Energy to the U.S. Army Corps of Engineers for program execution. The Corps currently manages and executes a similar program, the Formerly Used Defense Sites program, for the Department of Defense, and the conferees believe there are significant cost and schedule efficiencies to be gained by having the Corps manage FUSRAP as well.

The conferees are aware of the concerns expressed that a transition from one Federal agency to another may create unnecessary delays in the program. The conferees expect the Department of Energy and the Corps to make every effort to ensure that this transition goes smoothly, that execution of the program is maintained in accordance with current schedules, and that overall execution performance is improved. The Department of Energy recently announced that it will complete the existing management and operating contract for the FUSRAP program with a contract change becoming effective in the spring of 1998. The conferees expect the program to continue within the existing contract framework during that period, and will expect minimal disruption in operations during that time as the terms of current contracts are honored.

The conferees direct the Corps of Engineers to review the baseline cost, scope, schedule, and technical assumptions for each of the cleanup sites, and determine what actions can be taken to reduce costs and accelerate cleanup activities. The Corps should determine if it is possible and/or reasonable to meet the proposed 2002 completion date and

report to the Committees on Appropriations within 90 days on what steps must be taken to meet this date.

The conferees expect the Chief of Engineers to select an organization and process within the Corps which can execute this high priority program most effectively and efficiently. To avoid potential jurisdictional problems, however, overall program management, schedule and resource priority setting, and principal point of contact responsibilities for FUSRAP are to be handled as part of, and integrally with, the overall Civil Works program of the Corps.

GENERAL EXPENSES

The conference agreement appropriates $148,000,000 for General Expenses as proposed by the House and the Senate.

REVOLVING FUND

The conference agreement includes language proposed by the Senate which permits the Corps of Engineers to use amounts in the Revolving Fund for an addition to the Alaska District's main office building on Elmendorf Air Force Base and which directs that the Revolving Fund shall be reimbursed from the benefiting appropriations by collections each year of user fees sufficient to repay the capital cost of the asset and to operate and maintain the asset.

GENERAL PROVISIONS

CORPS OF ENGINEERS—CIVIL

The conference agreement deletes language proposed by the Senate which provides that the Secretary of the Army, in fiscal year 1998, shall advertise for competitive bid at least 8,500,000 cubic yards of the hopper dredge volume accomplished with Government-owned dredges in fiscal year 1992 and which, notwithstanding the provisions of this section, authorizes the Secretary of the Army to use the Corps of Engineers dredge fleet to undertake projects under certain conditions.

The conference agreement includes language proposed by the Senate which authorizes and directs the Secretary of the Army to provide planning, design, and construction assistance to non-Federal interests in carrying out water related environmental infrastructure and environmental resources development projects. The Senate language has been amended to provide that the authority will be limited to fiscal year 1998 and to projects in the State of Alaska. The conference agreement provides $5,000,000 for the Corps of Engineers to carry out the provisions of this section.

The conference agreement includes language proposed by the Senate regarding the Raritan River Basin, Greenbrook Sub-basin flood control project in New Jersey. The Senate language has been amended to provide that none of the funds made available under this Act or any other Act for any fiscal year may be used to construct the Oak Way detention structure or the Sky Top detention structure in Berkeley Heights, New Jersey, rather than carry out any plan for, or otherwise construct, the Oak Way detention structure or the Sky Top detention structure in Berkeley Heights, New Jersey.

The conference agreement deletes language proposed by the Senate which provides that none of the funds appropriated in this Act may be used to consider any application for a permit that, if granted, would result in the diversion of groundwater from the Great Lakes basin.

CORPS OF ENGINEERS - GENERAL INVESTIGATIONS

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES INVESTIGATIONS	BUDGET ESTIMATES PLANNING	CONFERENCE ALLOWANCE INVESTIGATIONS	CONFERENCE ALLOWANCE PLANNING
	ALABAMA				
	BLACK WARRIOR AND TOMBIGBEE RIVERS, AL	---	---	100,000	---
(SPE)	CAHABA RIVER WATERSHED, AL	400,000	---	400,000	---
(N)	DOG RIVER, AL	200,000	---	400,000	---
(SPE)	VILLAGE CREEK, JEFFERSON COUNTY (BIRMINGHAM WATERSHED)	400,000	---	400,000	---
	ALASKA				
(N)	ANCHOR POINT HARBOR, AK	54,000	---	54,000	---
(FDP)	ANIAK, AK	125,000	---	125,000	---
(E)	CHENA RIVER WATERSHED, AK	168,000	---	168,000	---
(N)	COASTAL STUDIES NAVIGATION IMPROVEMENT, AK	450,000	---	600,000	---
(FC)	COOK INLET, AK	---	125,000	---	125,000
(N)	DOUGLAS HARBOR, AK	---	---	100,000	---
(N)	DUTCH HARBOR, AK	50,000	---	50,000	---
(FDP)	KENAI RIVER, AK	---	---	100,000	---
(N)	KENAI RIVER NAVIGATION, AK	150,000	---	150,000	---
(N)	KUSKOKWIM RIVER, AK	100,000	---	100,000	---
(FDP)	MATANUSKA RIVER. AK	---	---	100,000	---
(N)	NOME HARBOR IMPROVEMENTS, AK	450,000	---	490,000	---
(N)	PORT LIONS HARBOR, AK	---	---	100,000	---
(N)	SAND POINT HARBOR, AK	---	37,000	---	37,000
(N)	SAND POINT HARBOR, AK	118,000	---	118,000	---
(N)	SEWARD HARBOR, AK	150,000	---	225,000	---
(FDP)	SHIP CREEK, AK	---	---	100,000	---
(N)	SITKA LIGHTERING FACILITY, AK	120,000	---	120,000	---
(N)	ST PAUL HARBOR, AK	---	138,000	---	---
(N)	WRANGELL HARBOR, AK	200,000	---	330,000	---
	VALDEZ HARBOR, AK	---	---	100,000	---
	ARIZONA				
(SPE)	COLONIAS ALONG U.S. - MEXICO BORDER, AZ & TX	100,000	---	100,000	---
(FDP)	GILA RIVER, NORTH SCOTTSDALE, AZ	400,000	---	400,000	---
(FDP)	GILA RIVER, SANTA CRUZ RIVER BASIN, AZ	400,000	---	400,000	---
(FDP)	RIO DE FLAG, FLAGSTAFF, AZ	325,000	---	325,000	---
(E)	RIO SALADO WATERSHED ECOSYSTEM, AZ	540,000	---	540,000	---
(E)	TRES RIOS, AZ	400,000	---	800,000	---
(FC)	TUCSON DRAINAGE AREA, AZ	---	825,000	---	825,000
	ARKANSAS				
(FDP)	MAY BRANCH, FORT SMITH, AR	240,000	---	240,000	---
(FC)	MCKINNEY BAYOU, AR & TX	---	200,000	---	200,000
(N)	WHITE RIVER TO NEWPORT, AR	---	---	---	400,000
	CALIFORNIA				
(FC)	AMERICAN RIVER WATERSHED, CA	---	401,000	---	1,500,000

CORPS OF ENGINEERS - GENERAL INVESTIGATIONS

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES INVESTIGATIONS	BUDGET ESTIMATES PLANNING	CONFERENCE ALLOWANCE INVESTIGATIONS	CONFERENCE ALLOWANCE PLANNING
(FDP)	ARROYO PASAJERO, CA	146,000	---	146,000	---
(FC)	ARROYO PASAJERO, CA	---	1,000,000	---	1,000,000
(E)	BOLINAS LAGOON ECOSYSTEM RESTORATION, CA	240,000	---	750,000	---
	BOLSA CHICA CHANNEL, CA	---	---	40,000	---
	HAMILTON AIRFIELD WETLAND RESTORATION, CA	---	---	100,000	---
	CITIES OF ARCADIA AND SIERRA MADRE, CA	---	---	525,000	---
	CITY OF HUNTINGTON BEACH, CA	---	---	100,000	---
	CLEAR LAKE BASIN WATERSHED RESTORATION, CA	---	---	100,000	---
	COSUMNES AND MOKELUMNE RIVERS, CA	---	---	100,000	---
(E)	IMPERIAL COUNTY WATERSHED STUDY, CA	200,000	---	200,000	---
(FC)	KAWEAH RIVER, CA	---	1,100,000	---	1,100,000
(SPE)	LACDA WATER CONS & SUP(HANSEN & LOPEZ DAMS), CA	204,000	---	204,000	---
(SPE)	LACDA WATER CONS & SUP(WHITTIER NARROWS & SANTA FE DAM	189,000	---	189,000	---
	LAGUNA DE SANTA ROSA, CA	---	---	100,000	---
	MALIBU CREEK WATERSHED, CA	---	---	100,000	---
(FDP)	MARIN COUNTY SHORELINE, SAN CLEMENTE CREEK, CA	150,000	---	150,000	---
(N)	MARINA DEL REY AND BALLONA CREEK, CA	530,000	---	530,000	---
(SPE)	MOJAVE RIVER DAM, CA	200,000	---	200,000	---
	MORRO BAY ESTUARY, CA	---	---	100,000	---
	MUGU LAGOON, CA	---	---	100,000	---
(E)	N CA STREAMS, CACHE CREEK ENVIRONMENTAL RESTORATION, C	250,000	---	250,000	---
(E)	N CA STREAMS, COLUSA BASIN, CA	100,000	---	100,000	---
(FDP)	N CA STREAMS, DRY CREEK, MIDDLETOWN, CA	200,000	---	200,000	---
(E)	N CA STREAMS, FAIRFIELD STREAMS AND CORDELIA MARSH, CA	250,000	---	250,000	---
(E)	N CA STREAMS, LOWER SACRAMENTO RVR RIPARIAN REVEGETATI	300,000	---	300,000	---
(E)	N CA STREAMS, MIDDLE CREEK, CA	350,000	---	350,000	---
(E)	N CA STREAMS, SACRAMENTO RIVER WATERSHED MANAGEMENT PL	400,000	---	400,000	---
(FDP)	N CA STREAMS, VACAVILLE, DIXON AND VICINITY, CA	200,000	---	200,000	---
(FC)	N CA STREAMS, YUBA RIVER BASIN, CA	---	50,000	---	50,000
(FDP)	N CA STREAMS, YUBA RIVER BASIN, CA	325,000	---	325,000	---
(FC)	NAPA RIVER, CA	---	1,600,000	---	1,600,000
(E)	NAPA RIVER, SALT MARSH RESTORATION, CA	500,000	---	500,000	---
(E)	NEWPORT BAY HARBOR, CA	270,000	---	270,000	---
(FC)	PAJARO RIVER AT WATSONVILLE, CA	---	500,000	---	500,000
(N)	PILLAR POINT HARBOR, CA	225,000	---	225,000	---
(N)	PORT HUENEME, CA	---	250,000	---	250,000
(N)	PORT HUENEME, CA	40,000	---	40,000	---
(N)	PORT OF LONG BEACH (DEEPENING), CA	---	160,000	---	---
	PORT OF STOCKTON, CA	---	---	100,000	---
(E)	PRADO BASIN WATER SUPPLY, CA	378,000	---	378,000	---
(FDP)	RANCHO PALOS VERDES, CA	79,000	---	79,000	---
	REDWOOD CITY HARBOR, CA	---	---	100,000	---
(E)	RUSSIAN RIVER, ECOSYSTEM RESTORATION, CA	240,000	---	240,000	---
(SPE)	SACRAMENTO - SAN JOAQUIN DELTA, CA	750,000	---	750,000	---
(E)	SACRAMENTO - SAN JOAQUIN DELTA, WESTERN DELTA ISLANDS,	300,000	---	300,000	---
(spc)	SACRAMENTO & SAN JOAQUIN RIVERS COMPREHENSIVE STUDY, C	---	---	3,650,000	---
	SACRAMENTO WATERSHED MANAGEMENT PLAN, CA	---	---	500,000	---
(FDP)	SAN ANTONIO CREEK, CA	178,000	---	178,000	---
(N)	SAN DIEGO HARBOR (DEEPENING), CA	300,000	---	300,000	---
	SAN DIEGO HARBOR, NATIONAL CITY MARINE TERMINAL, CA	---	---	100,000	---

CORPS OF ENGINEERS - GENERAL INVESTIGATIONS

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES INVESTIGATIONS	BUDGET ESTIMATES PLANNING	CONFERENCE ALLOWANCE INVESTIGATIONS	CONFERENCE ALLOWANCE PLANNING
	SAN FRANCISCO BAY, CA	---	---	100,000	---
	SAN JOAQUIN RIVER BASIN, FARMINGTON DAM, CA	---	---	225,000	---
(E)	SAN JOAQUIN R BASIN, PINE FLAT DAM, F&WL HABITAT RESTO	400,000	---	400,000	---
(FC)	SAN JOAQUIN RIVER BASIN, SOUTH SACRAMENTO COUNTY STREA	---	500,000	---	500,000
(FDP)	SAN JOAQUIN RIVER BASIN, SOUTH SACRAMENTO COUNTY STREA	180,000	---	180,000	---
(FDP)	SAN JOAQUIN RIVER BASIN, STOCKTON METROPOLITAN AREA, C	450,000	---	225,000	---
(FDP)	SAN JOAQUIN RIVER BASIN, TULE RIVER, CA	250,000	---	250,000	---
(FDP)	SAN JOAQUIN RIVER BASIN, WEST STANISLAUS COUNTY, CA	150,000	---	150,000	---
(E)	SAN JUAN AND ALISO CREEKS WATERSHED MANAGEMENT, CA	315,000	---	315,000	---
	SAN PABLO BAY WATERSHED, CA	---	---	100,000	---
(FDP)	SANTA BARBARA COUNTY STREAMS, LOWER MISSION CREEK, CA.	380,000	---	380,000	---
(FDP)	SANTA MARGARITA RIVER AND TRIBUTARIES, CA	300,000	---	300,000	---
	SANTA MONICA WATER INFRASTRUCTURE RELIABILITY, CA	---	---	500,000	---
(N)	SOUTHAMPTON SHOAL CHANNEL AND EXTENSION, CA	600,000	---	600,000	---
	SOUTHEAST LOS ANGELES CNTY WATER CONSERVATION & SUPPLY	---	---	500,000	---
	SOUTHERN CALIFORNIA AQUATIC RESOURCES, CA	---	---	200,000	---
(E)	TAHOE BASIN, CA & NV	320,000	---	750,000	---
	TIJUANA RIVER VALLEY, CA	---	---	100,000	---
	TOULUMNE RIVER, CA	---	---	100,000	---
	TWENTYNINE PALMS, CA	---	---	100,000	---
(FC)	UPPER GUADALUPE RIVER, CA	---	750,000	---	750,000
(FDP)	UPPER PENITENCIA CREEK, CA	475,000	---	475,000	---
(N)	VENTURA HARBOR SAND BYPASS, CA	150,000	---	150,000	---
(FDP)	WHITEWATER RIVER BASIN, CA	370,000	---	370,000	---
	VENTURA - SANTA BARBARA COUNTIES SHORE PROTECTION, CA.	---	---	200,000	---
	COLORADO				
	CHATFIELD, CHERRY CREEK AND BEAR CREEK RESERVOIRS, CO.	---	---	100,000	---
	CONNECTICUT				
(E)	COASTAL CONNECTICUT ECOSYSTEM RESTORATION, CT	100,000	---	100,000	---
	DELAWARE				
(N)	C&D CANAL - BALTIMORE HBR CONN CHANNELS, DE & MD (DEEP	---	1,625,000	---	1,625,000
(SP)	DELAWARE BAY COASTLINE, DE & NJ	150,000	---	150,000	306,000
(SP)	DELAWARE COAST FROM CAPE HENLOPEN TO FENWICK ISLAND, D	293,000	---	293,000	300,000
	FLORIDA				
(N)	BIG BEND CHANNEL, FL	---	80,000	---	80,000
(FDP)	BISCAYNE BAY, FL	250,000	---	250,000	---
	BREVARD COUNTY, FL	---	---	---	154,000
(FC)	CEDAR HAMMOCK (WARES CREEK), FL	---	300,000	---	300,000
(N)	CHICOPIT BAY, FL	100,000	---	100,000	---
	DADE COUNTY WATER REUSE, FL	---	---	300,000	---
(N)	FORT PIERCE HARBOR, FL	250,000	---	250,000	---
(N)	HILLSBORO INLET, FL	---	230,000	---	230,000

CORPS OF ENGINEERS - GENERAL INVESTIGATIONS

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES INVESTIGATIONS	BUDGET ESTIMATES PLANNING	CONFERENCE ALLOWANCE INVESTIGATIONS	CONFERENCE ALLOWANCE PLANNING
(N)	INTRACOASTAL WATERWAY, PALM BEACH COUNTY, FL	---	90,000	---	90,000
(N)	JACKSONVILLE HARBOR, FL	---	100,000	---	100,000
(N)	JACKSONVILLE HARBOR, FL	301,000	---	301,000	---
	LAKE WORTH INLET, FL	---	---	---	100,000
	LIDO KEY BEACH, FL	---	---	100,000	---
(BE)	NASSAU COUNTY, FL	---	140,000	---	290,000
(N)	PONCE DE LEON INLET, FL	---	175,000	---	175,000
(N)	PORT EVERGLADES HARBOR, FL	325,000	---	325,000	---
(N)	ST LUCIE INLET, FL	---	280,000	---	280,000
	TAMPA HARBOR, ALAFIA RIVER, FL	---	---	270,000	---
	GEORGIA				
	AUGUSTA, GA	---	---	100,000	---
(N)	BRUNSWICK HARBOR, GA	93,000	---	93,000	---
(N)	BRUNSWICK HARBOR, GA	---	1,100,000	---	1,100,000
(FDP)	FLINT RIVER BASIN STUDY, GA	300,000	---	300,000	---
(N)	LOWER SAVANNAH RIVER, GA & SC	---	94,000	---	94,000
(E)	METRO ATLANTA WATERSHED, GA	400,000	---	400,000	---
	NEW SAVANNAH BLUFF LOCK AND DAM, GA	---	---	100,000	---
(N)	SAVANNAH HARBOR EXPANSION, GA	800,000	---	---	800,000
(FDP)	SAVANNAH/CHATHAM COUNTY REGIONAL FLOOD CONTROL, GA	250,000	---	250,000	---
(SPEC)	SAVANNAH RIVER BASIN COMPREHENSIVE, GA & SC	---	---	300,000	---
	HAWAII				
(N)	BARBERS POINT HARBOR MODIFICATION, OAHU, HI	333,000	---	333,000	---
(N)	HONOLULU HARBOR MODIFICATIONS, OAHU, HI	100,000	---	100,000	---
(N)	KIKIAOLA SMALL BOAT HARBOR, KAUAI, HI	---	267,000	---	267,000
(FDP)	LAULAULEI, HI	---	---	200,000	---
(FDP)	WAILUPE STREAM FLOOD CONTROL STUDY, OAHU, HI	227,000	---	227,000	---
	ILLINOIS				
(FDP)	ALEXANDER AND PULASKI COUNTIES, IL	200,000	---	200,000	---
(FC)	DES PLAINES RIVER, IL	---	400,000	---	400,000
	ILLINOIS RIVER ENVIRONMENTAL RESTORATION, IL	---	---	100,000	---
(FDP)	KANKAKEE RIVER BASIN, IL & IN	250,000	---	300,000	---
(FDP)	MISSISSIPPI RIVER AT QUINCY, IL	250,000	---	250,000	---
(FC)	NUTWOOD DRAINAGE AND LEVEE DISTRICT, IL	---	395,000	---	395,000
	PEORIA RIVERFRONT DEVELOPMENT, IL	---	---	200,000	---
(SPE)	UPPER MISS RVR SYSTEM FLD PROFILE STUDY, IL, IA, MN, M	1,957,000	---	1,957,000	---
(RCP)	UPPER MISSISSIPPI & ILLINOIS NAV STUDY, IL, IA, MN, MO	7,700,000	---	7,700,000	---
	WAUKEGAN HARBOR, IL	---	---	100,000	---
(FC)	WOOD RIVER D&LD, MADISON COUNTY, IL	---	112,000	---	112,000
	WOOD RIVER LEVEE, IL	---	---	100,000	---

CORPS OF ENGINEERS - GENERAL INVESTIGATIONS

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES INVESTIGATIONS	BUDGET ESTIMATES PLANNING	CONFERENCE ALLOWANCE INVESTIGATIONS	CONFERENCE ALLOWANCE PLANNING
	INDIANA				
(FC)	INDIANAPOLIS, WHITE RIVER (NORTH), IN	---	458,000	---	458,000
	LITTLE CALUMET RIVER BASIN, CADY MARSH DITCH, IN	---	---	---	150,000
(FDP)	WABASH RIVER BASIN (MIDDLE REACHES), IN & IL	56,000	---	56,000	---
	IOWA				
(RCP)	CORALVILLE LAKE, IA	339,000	---	339,000	---
(FDP)	DES MOINES AND RACCOON RIVERS, IA	---	---	100,000	---
	KANSAS				
(RCP)	SALINA, KS	135,000	---	135,000	---
(RCP)	TOPEKA, KS	155,000	---	155,000	---
(FC)	TURKEY CREEK BASIN, KS & MO	---	261,000	---	261,000
(FDP)	TURKEY CREEK BASIN, KS & MO	30,000	---	30,000	---
(RCP)	WILSON LAKE, KS	38,000	---	38,000	---
	KENTUCKY				
	AUGUSTA, KY	---	---	100,000	---
	DOVER, KY	---	---	100,000	---
	FRANKFORT, KY	---	---	100,000	---
	GRAYSON LAKE, KY	---	---	50,000	---
(N)	GREEN AND BARREN RIVERS NAVIGATION DISPOSITION STUDY	300,000	---	300,000	---
(N)	KENTUCKY LOCK, KY	---	1,750,000	---	---
(FDP)	LEXINGTON, FAYETTE COUNTY, KY	375,000	---	375,000	---
(FC)	LICKING RIVER WATERSHED, KY	---	---	500,000	---
(FC)	METROPOLITAN LOUISVILLE, BEARGRASS CREEK, KY	---	525,000	---	525,000
(FDP)	METROPOLITAN LOUISVILLE, MILL CREEK BASIN, KY	300,000	---	300,000	---
(FDP)	METROPOLITAN LOUISVILLE, SOUTHWEST, KY	470,000	---	470,000	---
(N)	OHIO RIVER MAIN STEM SYSTEMS STUDY, KY, IL, IN, PA, WV	8,800,000	---	8,800,000	---
	OLIVE HILL, KY	---	---	100,000	---
	LOUISIANA				
(FDP)	AMITE RIVER - DARLINGTON RESERVOIR, LA	300,000	---	300,000	---
(FDP)	BAYOU TIGRE, ERATH, LA	350,000	---	350,000	---
(FDP)	BLACK BAYOU DIVERSION, LA	350,000	---	350,000	---
(FC)	COMITE RIVER, LA	---	265,000	---	265,000
(FC)	EAST BATON ROUGE PARISH, LA	---	620,000	---	620,000
(N)	INTRACOASTAL WATERWAY LOCKS, LA	850,000	---	850,000	---
(FDP)	JEFFERSON PARISH, LA	138,000	---	138,000	---
(FDP)	LAFAYETTE PARISH, LA	600,000	---	600,000	---
(N)	MISSISSIPPI RIVER SHIP CHANNEL IMPROVEMENTS, LA	400,000	---	400,000	---
(FDP)	ORLEANS PARISH, LA	350,000	---	350,000	---
(N)	PORT FOURCHON, LA	---	129,000	---	129,000
	WALLACE LAKE, LA	---	---	100,000	---
(FDP)	WEST SHORE - LAKE PONTCHARTRAIN, LA	250,000	---	250,000	---

CORPS OF ENGINEERS - GENERAL INVESTIGATIONS

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES INVESTIGATIONS	BUDGET ESTIMATES PLANNING	CONFERENCE ALLOWANCE INVESTIGATIONS	CONFERENCE ALLOWANCE PLANNING
	MARYLAND				
(FDP)	ANACOSTIA RIVER AND TRIBUTARIES, MD & DC	600,000	---	600,000	---
(E)	ANACOSTIA RIVER FEDERAL WATERSHED IMPACT ASSESSMENT, M	690,000	---	690,000	---
(N)	BALTIMORE HARBOR ANCHORAGES & CHANNELS, MD & VA	---	338,000	---	338,000
(FDP)	BALTIMORE METROPOLITAN WATER RESOURCES STUDY, MD	415,000	---	415,000	---
	HAVRE DE GRACE, MD	---	---	100,000	---
(N)	OCEAN CITY, MD AND VICINITY	108,000	---	108,000	---
(FDP)	PATUXENT RIVER WATER RESOURCES, MD	600,000	---	600,000	---
(E)	SMITH ISLAND ENVIRONMENTAL RESTORATION, MD	200,000	---	200,000	---
	MASSACHUSETTS				
(E)	BLACKSTONE RIVER WATERSHED RESTORATION, MA & RI	350,000	---	350,000	---
	MICHIGAN				
	SAULT STE MARIE, MI	---	---	---	100,000
	MINNESOTA				
(FC)	CROOKSTON, MN	---	400,000	---	400,000
	MISSISSIPPI				
	PASCAGOULA HARBOR, MS	---	---	100,000	---
(FC)	PEARL RIVER WATERSHED, MS	---	2,640,000	---	100,000
	MISSOURI				
	BALLWIN, MO	---	---	100,000	---
(FC)	BLUE RIVER BASIN, KANSAS CITY, MO	---	656,000	---	656,000
(FDP)	CHESTERFIELD, MO	365,000	---	365,000	---
(FDP)	FESTUS AND CRYSTAL CITY, MO	173,000	---	223,000	---
(RCP)	KANSAS CITY, MO & KS	100,000	---	400,000	---
(FDP)	KIMMSWICK, MO	51,000	---	51,000	---
(FDP)	LOWER RIVER DES PERES, MO	57,000	---	107,000	---
(RCP)	MISSOURI RIVER LEVEE SYSTEM, UNITS L455 & R460-471, MO	300,000	---	300,000	---
(RCP)	ST LOUIS FLOOD PROTECTION, MO	100,000	---	100,000	---
(N)	ST LOUIS HARBOR, MO & IL	---	500,000	---	500,000
(FDP)	SWOPE PARK INDUSTRIAL AREA, KANSAS CITY, MO	120,000	---	120,000	---

CORPS OF ENGINEERS - GENERAL INVESTIGATIONS

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES INVESTIGATIONS	BUDGET ESTIMATES PLANNING	CONFERENCE ALLOWANCE INVESTIGATIONS	CONFERENCE ALLOWANCE PLANNING
	NEBRASKA				
(FDP)	ANTELOPE CREEK, LINCOLN, NE	90,000	---	90,000	---
(FDP)	LOWER PLATTE RIVER & TRIBUTARIES, NE	300,000	---	300,000	---
	NEVADA				
(E)	LOWER LAS VEGAS WASH WETLANDS, NV	200,000	---	200,000	---
(E)	LOWER TRUCKEE RIVER, PYRAMID LAKE PAIUTE RESERVATION,	---	300,000	---	300,000
(E)	LOWER TRUCKEE RIVER, PYRAMID LAKE PAIUTE RESERVATION,	354,000	---	354,000	---
(E)	LOWER TRUCKEE RIVER, WASHOE COUNTY, NV	177,000	---	177,000	---
(E)	LOWER TRUCKEE RIVER, WASHOE COUNTY, NV	---	150,000	---	150,000
(FDP)	NORTH LAS VEGAS, CHANNEL "A", NV	100,000	---	100,000	---
(FDP)	TRUCKEE MEADOWS, RENO, NV	300,000	---	---	600,000
(E)	WALKER RIVER BASIN, NV	300,000	---	400,000	---
	NEW JERSEY				
(E)	BARNEGAT BAY, NJ	450,000	---	450,000	---
(E)	BARNEGAT INLET TO LITTLE EGG HARBOR INLET, NJ	---	---	400,000	---
(SP)	BRIGANTINE INLET TO GREAT EGG HARBOR INLET, NJ	72,000	---	72,000	400,000
	GREAT EGG HARBOR INLET TO TOWNSENDS INLET, NJ	---	---	400,000	---
(SP)	LOWER CAPE MAY MEADOWS - CAPE MAY POINT, NJ	54,000	---	54,000	100,000
	MANASQUAN INLET TO BARNEGAT INLET, NJ	---	---	400,000	---
(E)	NEW JERSEY INTRACOASTAL WATERWAY, ENV RESTORATION, NJ	450,000	---	450,000	---
(SP)	RARITAN BAY AND SANDY HOOK BAY, NJ	1,200,000	---	1,500,000	---
(FDP)	SOUTH RIVER, RARITAN RIVER BASIN, NJ	510,000	---	510,000	---
(E)	TOWNSENDS INLET TO CAPE MAY INLET, NJ	---	---	---	500,000
	UPPER PASSAIC RIVER AND TRIBUTARIES, NJ	---	---	100,000	---
	UPPER ROCKAWAY RIVER, NJ	---	---	100,000	---
	NEW MEXICO				
(E)	RIO GRANDE ECOSYSTEM RESTORATION, NM & CO	100,000	---	100,000	---
	NEW YORK				
(RCP)	ADDISON, NY	350,000	---	350,000	---
(N)	ARTHUR KILL CHANNEL - HOWLAND HOOK MARINE TERMINAL, NY	---	378,000	---	878,000
(SP)	ATLANTIC COAST OF NEW YORK, NY	1,400,000	---	1,400,000	---
	AUSABLE RIVER BASIN, NY	---	---	100,000	---
	BOQUET RIVER BASIN AND TRIBUTARIES, NY	---	---	100,000	---
(E)	CHEMUNG RIVER BASIN ENVIRONMENTAL RESTORATION, NY & PA	200,000	---	200,000	---
	FLUSHING BAY AND CREEK, NY	---	---	100,000	---
(N)	HUDSON RIVER HABITAT RESTORATION, NY	250,000	---	250,000	---
(SP)	JAMAICA BAY, MARINE PARK AND PLUMB BEACH, NY	400,000	---	400,000	---
	LINDENHURST, NY	---	---	100,000	---
	MONTAUK POINT, NY	---	---	200,000	---
(N)	NEW YORK AND NEW JERSEY HARBOR, NY & NJ	1,250,000	---	1,250,000	---
	NEW YORK HARBOR ANCHORAGES, NY	---	---	100,000	---

CORPS OF ENGINEERS - GENERAL INVESTIGATIONS

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES INVESTIGATIONS	BUDGET ESTIMATES PLANNING	CONFERENCE ALLOWANCE INVESTIGATIONS	CONFERENCE ALLOWANCE PLANNING
(SPE)	ONONDAGA LAKE, NY	115,000	---	115,000	---
(BE)	ORCHARD BEACH, BRONX, NY	---	---	300,000	---
(E)	SOUTH SHORE OF LONG ISLAND, NY	150,000	---	150,000	---
(FDP)	SUSQUEHANNA RIVER BASIN WATER MANAGEMENT, NY, PA & MD.	300,000	---	300,000	---
(FDP)	UPPER DELAWARE RIVER WATERSHED, NY	451,000	---	451,000	---
(FDP)	UPPER SUSQUEHANNA RIVER BASIN ENVIRON RESTORATION, NY.	200,000	---	200,000	---
	NORTH CAROLINA				
(FC)	BRUNSWICK COUNTY BEACHES, NC	---	1,000,000	---	1,000,000
(N)	CAPE FEAR - NORTHEAST (CAPE FEAR) RIVER, NC	---	330,000	---	---
(SP)	DARE COUNTY BEACHES, NC	450,000	---	450,000	---
	LOCKWOODS FOLLY INLET, NC	---	---	100,000	---
(N)	WILMINGTON HARBOR - NORTHEAST CAPE FEAR RIVER, NC	---	100,000	---	---
	NORTH DAKOTA				
(SPE)	DEVILS LAKE, ND	1,100,000	---	1,100,000	---
(FDP)	GRAND FORKS, ND	128,000	---	128,000	---
(FC)	GRAND FORKS / EAST GRAND FORKS, ND & MN	---	178,000	---	2,678,000
	OHIO				
	BELPRE, OH	---	---	150,000	---
(E)	GREAT MIAMI RIVER, OXBOW AREA, OH	100,000	---	100,000	---
(N)	MAUMEE RIVER, OH	100,000	---	100,000	---
	OHIO RIVER RIVERFRONT RESTORATION, OH	---	---	100,000	---
	OREGON				
(N)	COLUMBIA RIVER NAVIGATION CHANNEL DEEPENING, OR & WA	724,000	---	724,000	---
(E)	COLUMBIA SLOUGH, OR	150,000	---	150,000	---
(E)	WALLA WALLA RIVER WATERSHED, OR & WA	217,000	---	217,000	---
(COM)	WILLAMETTE RIVER BASIN REVIEW, OR	420,000	---	420,000	---
(E)	WILLAMETTE RIVER FLOODPLAIN RESTORATION, OR	100,000	---	100,000	---
(MP)	WILLAMETTE RIVER TEMPERATURE CONTROL, OR	---	520,000	---	700,000
	TILLAMOOK BAY & ESTUARY, OR	---	---	100,000	---
	PENNSYLVANIA				
	BEAVER RIVER, PA	---	---	---	375,000
	BLOOMSBURG, PA	---	---	100,000	---
(E)	CONEMAUGH RVR BASIN, NANTY GLO ENVIRONMENTAL RESTORATI	---	90,000	---	90,000
(E)	LOWER WEST BR SUSQUEHANNA RIVER BASIN ENVIR RESTORATIO	200,000	---	500,000	---
(FDP)	MILTON, PA	500,000	---	500,000	---
	SUNBURY, PA	---	---	100,000	---
	SUSQUEHANNA RIVER LEVEES, PA	---	---	500,000	---
(E)	TIOGA RIVER WATERSHED, PA	200,000	---	200,000	---
(FC)	UPPER TURTLE CREEK, PA	---	---	300,000	---
(RCP)	YOUGHIOGHENY RIVER LAKE, STORAGE REALLOCATION, PA & MD	125,000	---	125,000	---

CORPS OF ENGINEERS - GENERAL INVESTIGATIONS

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES INVESTIGATIONS	BUDGET ESTIMATES PLANNING	CONFERENCE ALLOWANCE INVESTIGATIONS	CONFERENCE ALLOWANCE PLANNING
	PUERTO RICO				
(FC)	ARECIBO RIVER, PR	---	665,000	---	665,000
(FC)	RIO GUANAJIBO, PR	---	700,000	---	700,000
(FC)	RIO NIGUA AT SALINAS, PR	---	267,000	---	267,000
	RHODE ISLAND				
(E)	RHODE ISLAND SOUTH COAST, HABITAT REST & SRTM DMG REDU	200,000	---	200,000	---
	PROVIDENCE, RI (FOX PT. HURRICANE BARRIER)	---	---	250,000	---
	SOUTH CAROLINA				
(RCP)	ATLANTIC INTRACOASTAL WATERWAY, SC	500,000	---	500,000	---
(E)	CHARLESTON ESTUARY, SC	100,000	---	100,000	---
(N)	CHARLESTON HARBOR, SC (DEEPENING & WIDENING)	---	200,000	---	---
	PAWLEYS ISLAND, SC	---	---	100,000	---
(N)	SANTEE, COOPER, CONGAREE RIVERS, SC	300,000	---	300,000	---
(E)	YADKIN-PEE DEE RIVER WATERSHED, SC & NC	300,000	---	300,000	---
	TENNESSEE				
(FC)	EAST RIDGE, HAMILTON CO, TN	---	300,000	---	300,000
(FC)	METRO CENTER LEVEE, DAVIDSON CO, TN	---	150,000	---	150,000
	NOLICHUCKY WATERSHED, TN	---	---	100,000	---
	NORTH CHICKAMAUGA CREEK WATERSHED, TN	---	---	100,000	---
	TEXAS				
(FDP)	ALPINE, TX	300,000	---	---	---
(FC)	BRAYS BAYOU, HOUSTON, TX	---	1,830,000	---	---
(N)	CORPUS CHRISTI SHIP CHANNEL, TX	800,000	---	800,000	---
(FC)	CYPRESS CREEK, HOUSTON, TX	---	937,000	---	937,000
(E)	CYPRESS VALLEY WATERSHED, TX	220,000	---	220,000	---
(FC)	DALLAS FLOODWAY EXTENSION, TRINITY RIVER, TX	---	940,000	---	940,000
(FC)	FORT WORTH SUMPS, 14 & 15, UPPER TRINITY RIVER BASIN,	---	70,000	---	70,000
(N)	GIWW - ARANSAS NATIONAL WILDLIFE REFUGE, TX	---	324,000	---	324,000
(RCP)	GIWW - BRAZOS RIVER TO PORT O'CONNOR, TX	220,000	---	220,000	---
(RDP)	GIWW - HIGH ISLAND TO BRAZOS RIVER, TX	1,000,000	---	1,000,000	---
(RCP)	GIWW - PORT O'CONNOR TO CORPUS CHRISTI BAY, TX	170,000	---	170,000	---
(FC)	GRAHAM, TX (BRAZOS RIVER BASIN)	---	105,000	---	105,000
(FC)	GREENS BAYOU, HOUSTON, TX	---	1,000,000	---	1,000,000
	HUNTING BAYOU, TX	---	---	---	500,000
	MIDDLE BRAZOS RIVER, TX	---	---	510,000	---
(N)	NECHES RIVER & TRIBUTARIES SALTWATER BARRIER, TX	---	400,000	---	500,000
(FDP)	NORTHWEST EL PASO, TX	130,000	---	130,000	---
(FDP)	PECAN BAYOU, BROWNWOOD, TX	179,000	---	179,000	---
(E)	PLAINVIEW, BRAZOS RIVER BASIN, TX	211,000	---	211,000	---
	PACKERY CHANNEL, CORPUS CHRISTI BAY, TX	---	---	100,000	---

CORPS OF ENGINEERS - GENERAL INVESTIGATIONS

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES INVESTIGATIONS	BUDGET ESTIMATES PLANNING	CONFERENCE ALLOWANCE INVESTIGATIONS	CONFERENCE ALLOWANCE PLANNING
(FC)	RAYMONDVILLE DRAIN, TX	---	370,000	---	370,000
	SABINE - NECHES WATERWAY, TX	---	---	100,000	---
(FC)	SOUTH MAIN CHANNEL, TX	---	1,000,000	---	1,000,000
(FDP)	UPPER TRINITY RIVER BASIN, TX	1,200,000	---	1,200,000	---
	WHITE OAK BAYOU, TX	---	---	150,000	---
	UTAH				
(FDP)	PROVO AND VICINITY, UT	350,000	---	350,000	---
(E)	UPPER JORDAN RIVER RESTORATION, UT	150,000	---	150,000	---
	VIRGIN ISLANDS				
(N)	CROWN BAY CHANNEL, VI	---	270,000	---	270,000
	VERMONT				
	SUMERSET & SEARSBORG DAMS, DEERFIELD RIVER, VT	---	---	100,000	---
	VIRGINIA				
(N)	AIWW BRIDGE REPLACEMENT, DEEP CREEK, VA	100,000	---	100,000	---
(SPE)	ELIZABETH RIVER BASIN, ENVIR RESTORATION, HAMPTON ROAD	200,000	---	200,000	---
	JAMES RIVER, VA	---	---	100,000	---
	JOHN W FLANNAGAN DAM AND RESERVOIR, VA	---	---	100,000	---
	LAKE MERRIWEATHER, VA	---	---	300,000	---
(E)	LOWER POTOMAC ESTUARY WATERSHED, VA & MD	200,000	---	200,000	---
(SPE)	NANSEMOND RIVER BASIN, VA	250,000	---	250,000	---
	NORFOLK HARBOR AND CHANNELS, CRANEY ISLAND, VA	---	---	100,000	---
	RAPPAHANNOCK RIVER, VA (EMBREY DAM REMOVAL)	---	---	100,000	---
	POWELL RIVER WATERSHED, VA	---	---	200,000	---
	PRINCE WILLIAM COUNTY WATERSHED, VA	---	---	100,000	---
	WASHINGTON				
(N)	BLAIR WATERWAY NAVIGATION STUDY, TACOMA HARBOR, WA	600,000	---	600,000	---
(SPE)	CHIEF JOSEPH POOL RAISE, WA	100,000	---	100,000	---
(E)	DUWAMISH AND GREEN RIVER, WA	252,000	---	252,000	---
(FC)	HOWARD HANSON DAM, WA	---	460,000	---	460,000
(RCP)	HOWARD HANSON DAM, WA	56,000	---	56,000	---
(RCP)	LAKE WASHINGTON SHIP CANAL, WA	100,000	---	100,000	---
(N)	PUGET SOUND CONFINED DISPOSAL SITES, WA	386,000	---	386,000	---
(FDP)	SKAGIT RIVER, WA	400,000	---	400,000	---
(E)	STILLAGUAMISH RIVER, WA	100,000	---	100,000	---
	WEST VIRGINIA				
(SPE)	CHEAT RIVER BASIN, WV	200,000	---	200,000	---
(N)	KANAWHA RIVER NAVIGATION, WV	121,000	---	121,000	---
(N)	LONDON LOCKS AND DAM, WV	---	672,000	---	1,000,000

CORPS OF ENGINEERS - GENERAL INVESTIGATIONS

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES INVESTIGATIONS	BUDGET ESTIMATES PLANNING	CONFERENCE ALLOWANCE INVESTIGATIONS	CONFERENCE ALLOWANCE PLANNING
(N)	MARMET LOCKS AND DAM, WV	---	830,000	---	---
	MONONGAHELA RIVER, FAIRMONT, WV	---	---	---	350,000
(FDP)	NORTH BRANCH POTOMAC RIVER ENVIRON RESTORATION, WV, MD	553,000	---	553,000	---
(E)	TYGART THREE BASIN ENVIRONMENTAL RESTORATION, WV	200,000	---	200,000	---
(E)	TYGART VALLEY R B, GRASSY RUN ENVIRONMENTAL RESTORATIO	100,000	---	100,000	---
	UPPER MONONGAHELA RIVER, WV	---	---	100,000	---
	WEST VIRGINA STATEWIDE FLOOD PROTEC PLAN	---	---	400,000	---
	WYOMING				
(E)	JACKSON HOLE RESTORATION, WY	200,000	---	200,000	---
	MISCELLANEOUS				
	AUTOMATED INFORMATION SYSTEM SUPPORT	650,000	---	650,000	---
	COASTAL FIELD DATA COLLECTION	1,500,000	---	1,500,000	---
	COORDINATION STUDIES WITH OTHER AGENCIES	11,690,000	---	8,500,000	---
	ENVIRONMENTAL DATA STUDIES	100,000	---	100,000	---
	FLOOD DAMAGE DATA	400,000	---	400,000	---
	GREAT LAKES REMEDIAL ACTION PROGRAM (SEC. 401)	---	---	500,000	---
	FLOOD PLAIN MANAGEMENT SERVICES	9,000,000	---	9,000,000	---
	HYDROLOGIC STUDIES	500,000	---	500,000	---
	INTERNATIONAL WATER STUDIES	340,000	---	340,000	---
	NATIONAL DREDGING NEEDS STUDY OF PORTS AND HARBORS	671,000	---	671,000	---
	PRECIPITATION STUDIES (NATIONAL WEATHER SERVICE)	400,000	---	400,000	---
	REMOTE SENSING/GEOGRAPHIC INFORMATION SYSTEM SUPPORT	420,000	---	420,000	---
	RESEARCH AND DEVELOPMENT	37,000,000	---	32,000,000	---
	SCIENTIFIC AND TECHNICAL INFORMATION CENTERS	130,000	---	130,000	---
	STREAM GAGING (U.S. GEOLOGICAL SURVEY)	800,000	---	800,000	---
	TRANSPORTATION SYSTEMS	800,000	---	800,000	---
	REDUCTION FOR ANTICIPATED SAVINGS AND SLIPPAGE	-26,006,000	---	-34,006,000	---
	TOTAL, GENERAL INVESTIGATIONS	113,898,000	36,102,000	118,588,000	38,216,000

CORPS OF ENGINEERS - CONSTRUCTION, GENERAL

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	ALABAMA		
(N)	BLACK WARRIOR AND TOMBIGBEE RIVERS, VICINITY OF JACKSO	500,000	600,000
(N)	TENNESSEE - TOMBIGBEE WATERWAY WILDLIFE MITIGATION, AL	3,440,000	3,440,000
(MP)	WALTER F GEORGE LOCK AND DAM, AL & GA (MAJOR REHAB)...	2,800,000	2,800,000
	ALASKA		
	CHIGNIK HARBOR, AK	---	4,500,000
(N)	COOK INLET, AK	---	3,945,000
(N)	DILLINGHAM, AK (SHORELINE EROSION)	---	1,200,000
(N)	KAKE HARBOR, AK	3,600,000	3,600,000
(N)	ST. PAUL HARBOR, AK	---	6,638,000
	ARIZONA		
(FC)	CLIFTON, AZ	2,300,000	2,300,000
	RILLITO RIVER, AZ	---	4,000,000
	ARKANSAS		
(FC)	ARKANSAS RIVER, TUCKER CREEK, AR	---	300,000
(MP)	DARDANELLE LOCK AND DAM POWERHOUSE, AR (MAJOR REHAB)..	3,000,000	3,000,000
(N)	MCCLELLAN - KERR ARKANSAS RIVER NAVIGATION SYSTEM, AR.	2,000,000	2,000,000
(N)	MONTGOMERY POINT LOCK & DAM, AR	10,000,000	20,000,000
	CALIFORNIA		
(FC)	AMERICAN RIVER WATERSHED, CA	9,400,000	9,400,000
	AMERICAN RIVER WATERSHED (NATOMAS), CA	---	10,100,000
(FC)	CORTE MADERA CREEK, CA	500,000	500,000
(FC)	COYOTE AND BERRYESSA CREEKS, CA	1,000,000	1,000,000
	CRESCENT CITY HARBOR, CA	---	500,000
(FC)	GUADALUPE RIVER, CA	19,000,000	19,000,000
(N)	HUMBOLDT HARBOR AND BAY, CA	6,000,000	6,000,000
(FC)	LOS ANGELES COUNTY DRAINAGE AREA, CA	11,700,000	20,700,000
(N)	LOS ANGELES HARBOR, CA	16,100,000	26,100,000
(FC)	LOWER SACRAMENTO AREA LEVEE RECONSTRUCTION, CA	300,000	2,000,000
(FC)	MARYSVILLE/YUBA CITY LEVEE RECONSTRUCTION, CA	7,300,000	9,300,000
(FC)	MERCED COUNTY STREAMS, CA	1,100,000	5,100,000
(FC)	MID-VALLEY AREA LEVEE RECONSTRUCTION, CA	3,100,000	5,600,000
	NORCO BLUFFS, CA	---	1,000,000
(N)	OAKLAND HARBOR, CA	8,935,000	8,935,000
	PORT OF LONG BEACH, CA	---	6,000,000
(N)	RICHMOND HARBOR, CA	8,620,000	8,620,000
(FC)	SACRAMENTO RIVER BANK PROTECTION PROJECT, CA	5,500,000	5,500,000
(FC)	SACRAMENTO RIVER, GLENN-COLUSA IRRIGATION DISTRICT, CA	600,000	600,000
	SAN FRANCISCO BAY TO STOCKTON, CA	---	250,000
(FC)	SAN LORENZO RIVER, CA	4,200,000	4,200,000
(FC)	SAN LUIS REY RIVER, CA	5,400,000	5,400,000

CORPS OF ENGINEERS - CONSTRUCTION, GENERAL

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
(FC)	SANTA ANA RIVER MAINSTEM, CA	52,900,000	52,900,000
	SANTA MONICA BREAKWATER, CA	---	1,500,000
(FC)	SANTA PAULA CREEK, CA	4,000,000	4,000,000
	SILVER STRAND SHORELINE, IMPERIAL BEACH, CA	---	500,000
(FC)	UPPER SACRAMENTO AREA LEVEE RECONSTRUCTION, CA	200,000	2,750,000
(FC)	WEST SACRAMENTO, CA	7,500,000	7,500,000
	COLORADO		
(FC)	ALAMOSA, CO	3,298,000	3,298,000
	DELAWARE		
(BE)	DELAWARE COAST PROTECTION, DE	224,000	224,000
	FLORIDA		
	BROWARD COUNTY, FL	---	100,000
(N)	CANAVERAL HARBOR, FL	2,500,000	6,000,000
	CANAVERAL HARBOR DEEPENING, FL	---	1,140,000
(FC)	CENTRAL AND SOUTHERN FLORIDA, FL	27,400,000	27,400,000
(BE)	DADE COUNTY, FL	8,185,000	9,400,000
(BE)	DUVAL COUNTY, FL	278,000	278,000
(FC)	EVERGLADES AND SOUTH FLORIDA ECOSYSTEM RESTORATION, FL	10,000,000	10,000,000
	FORT PIERCE BEACH, FL	---	2,261,000
(FC)	FOUR RIVER BASINS, FL	693,000	693,000
(MP)	JIM WOODRUFF LOCK AND DAM POWERHOUSE, FL & GA (MAJOR R	6,000,000	6,000,000
(E)	KISSIMMEE RIVER, FL	3,000,000	3,000,000
	LEE COUNTY, FL	---	300,000
(BE)	MANATEE COUNTY, FL	206,000	206,000
(N)	MANATEE HARBOR, FL	1,872,000	1,872,000
(BE)	MARTIN COUNTY, FL	99,000	99,000
(N)	MIAMI HARBOR CHANNEL, FL	2,889,000	5,889,000
(BE)	PALM BEACH COUNTY, FL (REIMBURSEMENT)	202,000	3,500,000
	PALM VALLEY BRIDGE, FL	---	480,000
	PANAMA CITY BEACHES, FL	---	5,000,000
(BE)	PINELLAS COUNTY, FL	4,586,000	12,586,000
(BE)	SARASOTA COUNTY, FL	500,000	500,000
	ST JOHNS COUNTY, FL	---	300,000
	GEORGIA		
(MP)	BUFORD POWERHOUSE, GA (MAJOR REHAB)	900,000	900,000
(MP)	HARTWELL LAKE POWERHOUSE, GA & SC (MAJOR REHAB)	7,000,000	7,000,000
(MP)	RICHARD B RUSSELL DAM AND LAKE, GA & SC	4,000,000	4,000,000
(MP)	THURMOND LAKE POWERHOUSE, GA & SC (MAJOR REHAB)	11,000,000	11,000,000
	TYBEE ISLAND, GA	---	2,000,000

CORPS OF ENGINEERS - CONSTRUCTION, GENERAL

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	HAWAII		
(FC)	IAO STREAM FLOOD CONTROL, MAUI, HI (DEF CORR)	275,000	275,000
(N)	MAALAEA HARBOR, MAUI, HI	691,000	691,000
	ILLINOIS		
(FC)	ALTON TO GALE ORGANIZED LEVEE DISTRICT, IL & MO (DEF C	575,000	575,000
(BE)	CHICAGO SHORELINE, IL	10,000,000	10,000,000
	CHICAGO SANITARY AND SHIP CANAL DISPERSAL BARRIER, IL.	---	500,000
	DES PLAINES RIVER WETLANDS DEMONSTRATION PROJECT, IL..	---	1,000,000
(FC)	EAST ST LOUIS, IL	2,800,000	2,800,000
	EAST ST LOUIS AND VICINITY (INTERIOR FLOOD CONTROL), I	---	300,000
(N)	LOCK AND DAM 24, MISSISSIPPI RIVER, IL & MO (MAJOR REH	4,370,000	5,370,000
(N)	LOCK AND DAM 25, MISSISSIPPI RIVER, IL & MO (MAJOR REH	4,230,000	4,230,000
(FC)	LOVES PARK, IL	500,000	500,000
(N)	MELVIN PRICE LOCK AND DAM, IL & MO	1,900,000	1,900,000
	NORTH BRANCH CHICAGO RIVER, IL	---	539,000
	O'HARE RESERVOIR, IL	---	2,100,000
(N)	OLMSTED LOCKS AND DAM, IL & KY	98,440,000	98,440,000
(FC)	REND LAKE, IL (DEF CORR)	5,262,000	5,262,000
(N)	UPPER MISS RVR SYSTEM ENV MGMT PROGRAM, IL, IA, MO, MN	14,000,000	16,000,000
	INDIANA		
(N)	BURNS WATERWAY HARBOR, IN (MAJOR REHAB)	3,000,000	4,400,000
(FC)	FORT WAYNE METROPOLITAN AREA, IN	5,300,000	5,800,000
	INDIANA SHORELINE EROSION, IN	---	3,000,000
	INDIANAPOLIS CENTRAL WATERFRONT, IN	---	5,000,000
	LAKE GEORGE, HOBART, IN	---	3,500,000
(FC)	LITTLE CALUMET RIVER, IN	5,300,000	5,300,000
	OHIO RIVER FLOOD PROTECTION, IN	---	1,300,000
	WABASH RIVER, NEW HARMONY, IN	---	500,000
	IOWA		
(N)	LOCK AND DAM 14, MISSISSIPPI RIVER, IA (MAJOR REHAB)..	6,600,000	6,600,000
(N)	MISSOURI RIVER FISH AND WILDLIFE MITIGATION, IA, NE, K	3,895,000	3,895,000
(FC)	MISSOURI RIVER LEVEE SYSTEM, IA, NE, KS & MO	1,000,000	1,000,000
(FC)	MUSCATINE ISLAND, IA	2,000,000	2,000,000
(FC)	PERRY CREEK, IA	8,255,000	8,255,000
	KANSAS		
(FC)	ARKANSAS CITY, KS	2,000,000	2,000,000
(FC)	WINFIELD, KS	2,000,000	2,000,000

CORPS OF ENGINEERS - CONSTRUCTION, GENERAL

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	KENTUCKY		
(MP)	BARKLEY DAM AND LAKE BARKLEY, KY & TN	3,500,000	3,500,000
(FC)	DEWEY LAKE, KY (DAM SAFETY)	250,000	250,000
	KENTUCKY LOCK AND DAM, KY	---	4,000,000
(N)	MCALPINE LOCKS & DAMS, KY & IN	1,720,000	6,720,000
(FC)	METROPOLITAN LOUISVILLE, POND CREEK, KY	1,800,000	1,800,000
	SALYERSVILLE, KY	---	2,050,000
	SOUTHERN AND EASTERN KENTUCKY, KY	---	3,000,000
	LOUISIANA		
(FC)	ALOHA - RIGOLETTE, LA	1,510,000	1,510,000
	GRAND ISLE AND VICINITY, LA	---	1,000,000
(FC)	LAKE PONTCHARTRAIN AND VICINITY, LA (HURRICANE PROTECT	6,448,000	22,920,000
	LAKE PONTCHARTRAIN STORMWATER DISCHARGE, LA	---	3,000,000
(FC)	LAROSE TO GOLDEN MEADOW, LA (HURRICANE PROTECTION)	541,000	541,000
(N)	MISSISSIPPI RIVER - GULF OUTLET, LA	2,018,000	2,018,000
(N)	MISSISSIPPI RIVER SHIP CHANNEL, GULF TO BATON ROUGE, L	1,793,000	2,593,000
(FC)	NEW ORLEANS TO VENICE, LA (HURRICANE PROTECTION)	1,700,000	1,700,000
	RED RIVER BELOW DENISON DAM (TWELVEMILE BAYOU), LA	---	1,000,000
(N)	RED RIVER WATERWAY, MISSISSIPPI RIVER TO SHREVEPORT, L	9,990,000	16,490,000
(FC)	SOUTHEAST LOUISIANA, LA	6,440,000	47,000,000
(FC)	WEST BANK - EAST OF HARVEY CANAL, LA (HURRICANE PROTEC	2,385,000	2,385,000
(FC)	WESTWEGO TO HARVEY CANAL, LA (HURRICANE PROTECTION)	4,300,000	5,041,000
	MARYLAND		
(FC)	ANACOSTIA RIVER AND TRIBUTARIES, MD & DC	4,400,000	4,400,000
(BE)	ATLANTIC COAST OF MARYLAND, MD	1,797,000	1,797,000
	CHESAPEAKE BAY ENVIRON. RESTORATION & PROT. PROG., MD.	---	1,000,000
(E)	CHESAPEAKE BAY OYSTER RECOVERY, MD	542,000	542,000
(SPEC)	CUMBERLAND, MD (SEC. 535 WRDA 96)	---	375,000
(E)	POPLAR ISLAND, MD	30,621,000	25,621,000
	MASSACHUSETTS		
(N)	BOSTON HARBOR, MA	3,920,000	6,000,000
(FC)	HODGES VILLAGE DAM, MA (MAJOR REHAB)	7,900,000	7,900,000
(FC)	ROUGHANS POINT, REVERE, MA	1,880,000	1,880,000
(FC)	TOWN BROOK, QUINCY AND BRAINTREE, MA	700,000	700,000
	MONTANA		
	NORTH FORK, FLATHEAD RIVER, MT. (SEC 584 MONITORING STATION)	---	50,000

CORPS OF ENGINEERS - CONSTRUCTION, GENERAL

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	MINNESOTA		
	KNIFE RIVER HARBOR, MN	---	150,000
(FDP)	ST. CROIX RIVER, STILLWATER, MN	---	1,000,000
(N)	LOCK AND DAM 3, MISSISSIPPI RIVER, MN (MAJOR REHAB)	800,000	800,000
(FC)	MARSHALL, MN	500,000	500,000
(N)	PINE RIVER DAM, CROSS LAKE, MN (DAM SAFETY)	300,000	300,000
	MISSISSIPPI		
(FDP)	JACKSON COUNTY, MS	---	3,000,000
(FDP)	NATCHEZ BLUFF, MS	---	4,000,000
(FDP)	PEARL RIVER VICINITY OF WALKIAK BLUFF, MS	---	2,000,000
	PASCAGOULA HARBOR, MS	---	800,000
	MISSOURI		
(FC)	BLUE RIVER CHANNEL, KANSAS CITY, MO	17,900,000	17,900,000
(FC)	CAPE GIRARDEAU - JACKSON, MO	1,800,000	1,800,000
(FC)	MERAMEC RIVER BASIN, VALLEY PARK LEVEE, MO	2,347,000	2,347,000
(N)	MISS RIVER BTWN THE OHIO AND MO RIVERS (REG WORKS), MO	3,446,000	3,446,000
(FC)	ST GENEVIEVE, MO	4,145,000	5,145,000
(MP)	TABLE ROCK LAKE, MO & AR (DAM SAFETY)	800,000	800,000
	NEBRASKA		
(FC)	MISSOURI NATIONAL RECREATIONAL RIVER, NE & SD	150,000	150,000
(FC)	WOOD RIVER, GRAND ISLAND, NE	500,000	500,000
	NEVADA		
(FC)	TROPICANA AND FLAMINGO WASHES, NV	20,000,000	20,000,000
	NEW JERSEY		
(BE)	CAPE MAY INLET TO LOWER TOWNSHIP, NJ	280,000	280,000
(BE)	GREAT EGG HARBOR INLET AND PECK BEACH, NJ	3,076,000	3,076,000
(FC)	MOLLY ANN'S BROOK AT HALEDON, PROSPECT PARK AND PATERS	7,090,000	7,090,000
	NEW YORK HARBOR & ADJACENT CHNLS, PORT JERSEY CHNL, NJ	---	600,000
(FC)	PASSAIC RIVER PRESERVATION OF NATURAL STORAGE AREAS, N	3,500,000	3,500,000
	PASSAIC RIVER STREAMBANK RESTORATION, NJ	---	3,000,000
(FC)	RAMAPO RIVER AT OAKLAND, NJ	277,000	2,500,000
	RARITAN BAY AND SANDY HOOK BAY, NJ	---	200,000
	RARITAN RIVER BASIN, GREEN BROOK SUB-BASIN, NJ	---	3,100,000
(BE)	SANDY HOOK TO BARNEGAT INLET, NJ	15,116,000	15,116,000

CORPS OF ENGINEERS - CONSTRUCTION, GENERAL

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	NEW MEXICO		
(FC)	ABIQUIU DAM EMERGENCY GATES, NM	1,400,000	1,400,000
(FC)	ACEQUIAS IRRIGATION SYSTEM, NM	600,000	1,000,000
(FC)	ALAMOGORDO, NM	400,000	400,000
(FC)	GALISTEO DAM, NM (DAM SAFETY)	2,720,000	2,720,000
(FC)	LAS CRUCES, NM	300,000	1,500,000
(FC)	MIDDLE RIO GRANDE FLOOD PROTECTION, BERNALILLO TO BELE	560,000	560,000
(FC)	RIO GRANDE FLOODWAY, SAN ACACIA TO BOSQUE DEL APACHE,	280,000	280,000
(FC)	TWO RIVERS DAM, NM (DAM SAFETY)	2,563,000	2,563,000
	NEW YORK		
(BE)	ATLANTIC COAST OF NYC, ROCKAWAY INLET TO NORTON POINT,	1,000,000	1,000,000
(BE)	EAST ROCKAWAY INLET TO ROCKAWAY INLET AND JAMAICA BAY,	600,000	600,000
(BE)	FIRE ISLAND INLET TO JONES INLET, NY	285,000	285,000
(BE)	FIRE ISLAND INLET TO MONTAUK POINT, NY	4,802,000	4,802,000
	HUDSON RIVER, ATHENS, NY	---	8,700,000
(N)	KILL VAN KULL AND NEWARK BAY CHANNEL, NY & NJ	429,000	929,000
(BE)	LONG BEACH ISLAND, NY	---	2,000,000
	ORCHARD BEACH, NY	---	400,000
	NEW YORK CITY WATERSHED, NY	---	5,000,000
	NEW YORK STATE CANAL SYSTEM, NY	---	2,000,000
	NORTH CAROLINA		
(N)	AIWW - REPLACEMENT OF FEDERAL HIGHWAY BRIDGES, NC	7,000,000	7,000,000
(BE)	CAROLINA BEACH AND VICINITY, NC	2,840,000	2,840,000
(N)	WILMINGTON HARBOR AND ADJACENT CHANNELS, NC	3,700,000	2,430,000
(BE)	WRIGHTSVILLE BEACH, NC	1,070,000	1,070,000
	NORTH DAKOTA		
	BUFORD - TRENTON IRRIGATION DISTRICT, ND	---	2,000,000
(MP)	GARRISON DAM AND POWER PLANT, ND (MAJOR REHAB)	300,000	300,000
(FC)	HOMME LAKE, ND (DAM SAFETY)	200,000	200,000
(FC)	LAKE ASHTABULA AND BALDHILL DAM, ND (DAM SAFETY)	500,000	500,000
(FC)	LAKE ASHTABULA AND BALDHILL DAM, ND (MAJOR REHAB)	1,200,000	1,200,000
(FC)	SHEYENNE RIVER, ND	500,000	500,000

CORPS OF ENGINEERS - CONSTRUCTION, GENERAL

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	OHIO		
(FC)	BEACH CITY LAKE, MUSKINGUM RIVER LAKES, OH (DAM SAFETY	105,000	105,000
(FC)	HOLES CREEK, WEST CARROLLTON, OH	1,890,000	1,890,000
	LOWER GIRARD DAM, OH	---	1,500,000
(FC)	METROPOLITAN REGION OF CINCINNATI, DUCK CREEK, OH	2,120,000	2,120,000
(FC)	MILL CREEK, OH	2,518,000	2,518,000
(FC)	WEST COLUMBUS, OH	15,181,000	15,181,000
	OKLAHOMA		
(FC)	FRY CREEKS, BIXBY, OK	3,928,000	3,928,000
(FC)	MINGO CREEK, TULSA, OK	7,000,000	7,000,000
(MP)	TENKILLER FERRY LAKE, OK (DAM SAFETY)	95,000	95,000
	OREGON		
(MP)	BONNEVILLE POWERHOUSE PHASE II, OR & WA (MAJOR REHAB)	13,000,000	13,000,000
(MP)	COLUMBIA RIVER TREATY FISHING ACCESS SITES, OR & WA	8,400,000	8,400,000
(FC)	ELK CREEK LAKE, OR	3,900,000	3,900,000
	PENNSYLVANIA		
(N)	GRAYS LANDING LOCK AND DAM, MONONGAHELA RIVER, PA	250,000	2,900,000
(FC)	JOHNSTOWN, PA (MAJOR REHAB)	6,205,000	6,369,000
(FC)	LACKAWANNA RIVER, OLYPHANT, PA	400,000	1,400,000
(FC)	LACKAWANNA RIVER, SCRANTON, PA	425,000	5,425,000
(N)	LOCKS AND DAMS 2, 3 AND 4, MONONGAHELA RIVER, PA	2,700,000	12,700,000
(BE)	PRESQUE ISLE PENINSULA, PA (PERMANENT)	500,000	500,000
(FC)	SAW MILL RUN, PITTSBURGH, PA	500,000	500,000
	SOUTH CENTRAL PA ENVIRONMENTAL IMPROVEMENT, PA	---	30,000,000
	SOUTHEASTERN PENNSYLVANIA, PA	---	1,000,000
	SUNBURY, PA	---	200,000
	SUSQUEHANNA RIVER, PA	---	400,000
	WILLIAMSPORT, PA	---	225,000
(FC)	WYOMING VALLEY, PA (LEVEE RAISING)	13,000,000	13,000,000
	PUERTO RICO		
(FC)	PORTUGUES AND BUCANA RIVERS, PR	12,712,000	12,712,000
(FC)	RIO DE LA PLATA, PR	510,000	510,000
(FC)	RIO PUERTO NUEVO, PR	11,868,000	11,868,000
(N)	SAN JUAN HARBOR, PR	2,400,000	2,400,000
	SOUTH CAROLINA		
	CHARLESTON HARBOR, SC	---	2,000,000
(N)	COOPER RIVER, CHARLESTON HARBOR, SC	1,869,000	1,869,000
(BE)	MYRTLE BEACH, SC	10,000,000	10,000,000

CORPS OF ENGINEERS - CONSTRUCTION, GENERAL

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	TENNESSEE		
	BLACK FOX, MURFREE AND OAKLANDS SPRINGS WETLANDS, TN..	---	2,900,000
	EAST RIDGE, TN.....	---	500,000
	TENNESSEE RIVER, HAMILTON COUNTY, TN.....	---	1,500,000
	TEXAS		
	BRAYS BAYOU, TX.....	---	2,000,000
(N)	CHANNEL TO VICTORIA, TX.....	7,300,000	7,300,000
(FC)	CLEAR CREEK, TX.....	750,000	750,000
(FC)	EL PASO, TX.....	5,290,000	5,290,000
(N)	FREEPORT HARBOR, TX.....	4,900,000	4,900,000
	GIWW - ARANSAS NATIONAL WILDLIFE REFUGE, TX.....	---	3,000,000
(N)	GIWW - SARGENT BEACH, TX.....	940,000	940,000
(N)	HOUSTON - GALVESTON NAVIGATION CHANNELS, TX.....	15,000,000	20,000,000
(FC)	MCGRATH CREEK, WICHITA FALLS, TX.....	3,291,000	3,291,000
	RED RIVER BELOW DENISON DAM (BOWIE COUNTY LEVEE), TX..	---	900,000
(FC)	SAN ANTONIO CHANNEL IMPROVEMENT, TX.....	390,000	1,600,000
(FC)	SIMS BAYOU, HOUSTON, TX.....	9,590,000	13,000,000
(FC)	WACO LAKE, TX (DAM SAFETY).....	1,700,000	1,700,000
	WALLISVILLE LAKE, TX.....	---	9,200,000
	UTAH		
(FC)	LITTLE DELL LAKE, UT.....	---	1,000,000
(FC)	UPPER JORDAN RIVER, UT.....	700,000	700,000
	VIRGINIA		
(N)	AIWW BRIDGE AT GREAT BRIDGE, VA.....	1,526,000	1,526,000
	LYNCHBURG COMBINED SEWER OVERFLOW, VA.....	---	1,000,000
	NEABSCO CREEK, VA.....	---	800,000
	NORFOLK HARBOR (50-FOOT ANCHORAGE), VA.....	---	1,200,000
(N)	NORFOLK HARBOR AND CHANNELS (DEEPENING), VA.....	1,098,000	1,098,000
	RICHMOND COMBINED SEWER OVERFLOW, VA.....	---	1,000,000
(FC)	ROANOKE RIVER UPPER BASIN, HEADWATERS AREA, VA.....	4,400,000	4,400,000
	VIRGINIA BEACH, VA.....	---	13,000,000
	VIRGINIA BEACH, VA (REIMBURSEMENT).....	---	925,000
	WASHINGTON		
(MP)	COLUMBIA RIVER FISH MITIGATION, WA, OR & ID.....	127,000,000	95,000,000
(MP)	LOWER SNAKE RIVER FISH & WILDLIFE COMPENSATION, WA, OR	4,000,000	4,000,000
(MP)	THE DALLES POWERHOUSE (UNITS 1-14), WA & OR (MAJOR REH	4,000,000	4,000,000

CORPS OF ENGINEERS - CONSTRUCTION, GENERAL

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE ALLOWANCE
	WEST VIRGINIA		
(FC)	GREENBRIER RIVER BASIN, WV	---	1,500,000
(FC)	LEVISA AND TUG FORKS AND UPPER CUMBERLAND RIVER, WV, V	7,927,000	58,267,000
	MARMET LOCKS AND DAM, WV	---	1,830,000
(FDP)	LOWER MUD RIVER, MILTON, WV	---	100,000
(N)	ROBERT C BYRD LOCKS AND DAM, WV & OH	5,356,000	5,356,000
	SOUTHERN WV ENVIRONMEN INFRASTRUCTURE PROGRAM, WV	---	2,000,000
(FC)	TYGART LAKE, WV (DAM SAFETY)	1,000,000	1,000,000
	WEST VIRGINIA AND PENNSYLVANIA FLOOD CONTROL, WV & PA.	---	3,000,000
(N)	WINFIELD LOCKS AND DAM, WV	8,500,000	8,500,000
	WISCONSIN		
	LAFARGE LAKE, KICKAPOO RIVER, WI	---	713,000
(FC)	PORTAGE, WI	1,500,000	1,500,000
	MISCELLANEOUS		
	AQUATIC PLANT CONTROL PROGRAM	2,600,000	5,000,000
	AQUATIC ECOSYSTEM RESTORATION (SECTION 206)	2,000,000	6,000,000
	BEACH EROSION CONTROL PROJECTS (SECTION 103)	3,000,000	3,000,000
	BENEFICIAL USES OF DREDGED MATERIAL (SECTION 204)	2,000,000	2,000,000
	CLEARING AND SNAGGING PROJECT (SECTION 208)	500,000	2,000,000
	EMERGENCY STREAMBANK & SHORELINE PROTECTION (SEC. 14)	7,500,000	11,000,000
	EMPLOYEES' COMPENSATION	18,048,000	18,048,000
	ENVIRONMENTAL INFRASTRUCTURE	---	5,000,000
	FLOOD CONTROL PROJECTS (SECTION 205)	25,500,000	40,000,000
	INLAND WATERWAYS USERS BOARD - BOARD EXPENSE	40,000	40,000
	INLAND WATERWAYS USERS BOARD - CORPS EXPENSE	185,000	185,000
	NAVIGATION MITIGATION PROJECT (SECTION 111)	500,000	500,000
	NAVIGATION PROJECTS (SECTION 107)	5,000,000	11,400,000
	PROJECT MODIFICATIONS FOR IMPROVEMENT OF THE ENVIRONME	14,175,000	21,175,000
	REDUCTION FOR ANTICIPATED SAVINGS AND SLIPPAGE	-45,863,000	-69,574,000
	TOTAL, CONSTRUCTION GENERAL	1,062,470,000	1,473,373,000

CORPS OF ENGINEERS - FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE
	GENERAL INVESTIGATIONS		
	SURVEYS:		
	GENERAL STUDIES:		
(FDP)	MEMPHIS METRO AREA, TN & MS	800,000	800,000
(FDP)	MORGANZA, LA TO THE GULF OF MEXICO	1,070,000	2,570,000
	RAPIDES AND ST. LANDRY PARISHES, LA	---	100,000
(FDP)	REELFOOT LAKE, TN & KY	335,000	335,000
	SOUTHEAST ARKANSAS, AR	---	500,000
(FDP)	WOLF RIVER, MEMPHIS, TN	465,000	465,000
	COLLECTION AND STUDY OF BASIC DATA	345,000	345,000
	SUBTOTAL, GENERAL INVESTIGATIONS	3,015,000	5,115,000
	CONSTRUCTION		
(FC)	CHANNEL IMPROVEMENT, AR, IL, KY, LA, MS, MO & TN	44,490,000	44,490,000
(FC)	EIGHT MILE CREEK, AR	812,000	812,000
(FC)	HELENA & VICINITY, AR	700,000	700,000
(FC)	MISSISSIPPI RIVER LEVEES, AR, IL, KY, LA, MS, MO & TN	24,238,000	31,000,000
(FC)	ST FRANCIS BASIN, AR & MO	5,000,000	5,000,000
(FC)	WHITEMAN'S CREEK, AR	1,105,000	1,105,000
(FC)	ATCHAFALAYA BASIN, FLOODWAY SYSTEM, LA	3,300,000	3,300,000
(FC)	ATCHAFALAYA BASIN, LA	19,100,000	21,100,000
	LOUISIANA STATE PENITENTIARY LEVEE, LA	---	900,000
(FC)	MISSISSIPPI AND LOUISIANA ESTUARINE AREAS, LA & MS	300,000	300,000
(FC)	MISSISSIPPI DELTA REGION, LA	11,500,000	13,500,000
(FC)	TENSAS BASIN, RED RIVER BACKWATER, LA	7,006,000	7,006,000
	YAZOO BASIN, MS:	(25,470,000)	(32,970,000)
(FC)	BACKWATER LESS ROCKY BAYOU, MS	20,000	520,000
(FC)	BIG SUNFLOWER RIVER, MS	3,862,000	3,862,000
(FC)	DEMONSTRATION EROSION CONTROL, MS	10,000,000	15,000,000
(FC)	F&WL MITIGATION LANDS, MS	363,000	363,000
(FC)	MAIN STEM, MS	25,000	25,000
(FC)	REFORMULATION UNIT, MS	2,000,000	2,000,000
(FC)	TRIBUTARIES, MS	200,000	200,000
(FC)	UPPER YAZOO PROJECTS, MS	9,000,000	11,000,000
(FC)	ST. JOHNS BAYOU - NEW MADRID FLOODWAY, MO	3,000,000	3,000,000
(FC)	NONCONNAH CREEK, FLOOD CONTROL FEATURE, TN & MS	2,000,000	2,000,000
(FC)	WEST TENNESSEE TRIBUTARIES, TN	2,200,000	2,200,000
	SUBTOTAL, CONSTRUCTION	150,221,000	169,383,000
	MAINTENANCE		
(FC)	CHANNEL IMPROVEMENT, AR, IL, KY, LA, MS, MO & TN	56,112,000	59,162,000
(N)	HELENA HARBOR, PHILLIPS CO, AR	280,000	280,000
(FC)	INSPECTION OF COMPLETED WORKS, AR	472,000	472,000
(FC)	LOWER ARKANSAS RIVER - NORTH BANK, AR	840,000	840,000
(FC)	LOWER ARKANSAS RIVER - SOUTH BANK, AR	124,000	124,000

CORPS OF ENGINEERS - FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE
(FC)	MISSISSIPPI RIVER LEVEES, AR, IL, KY, LA, MS, MO & TN.	7,252,000	7,252,000
(FC)	ST FRANCIS RIVER BASIN, AR & MO	8,130,000	8,130,000
(FC)	TENSAS BASIN, BOEUF AND TENSAS RIVERS, AR & LA	2,807,000	2,807,000
(FC)	WHITE RIVER BACKWATER, AR	1,500,000	1,500,000
(FC)	INSPECTION OF COMPLETED WORKS, IL	49,000	49,000
(FC)	INSPECTION OF COMPLETED WORKS, KY	27,000	27,000
(FC)	ATCHAFALAYA BASIN, FLOODWAY SYSTEM, LA	670,000	670,000
(FC)	ATCHAFALAYA BASIN, LA	10,700,000	12,700,000
(FC)	BATON ROUGE HARBOR - DEVIL SWAMP, LA	150,000	150,000
(FC)	BAYOU COCODRIE AND TRIBUTARIES, LA	92,000	92,000
(FC)	BONNET CARRE, LA	1,000,000	1,000,000
(FC)	INSPECTION OF COMPLETED WORKS, LA	390,000	390,000
(FC)	LOWER RED RIVER - SOUTH BANK LEVEES, LA	378,000	378,000
(FC)	MISSISSIPPI DELTA REGION, LA	377,000	377,000
(FC)	OLD RIVER, LA	4,390,000	4,390,000
(FC)	TENSAS BASIN, RED RIVER BACKWATER, LA	2,891,000	2,891,000
(N)	GREENVILLE HARBOR, MS	361,000	361,000
(FC)	INSPECTION OF COMPLETED WORKS, MS	203,000	203,000
(N)	VICKSBURG HARBOR, MS	237,000	237,000
	YAZOO BASIN, MS:	(21,902,000)	(25,802,000)
(FC)	ARKABUTLA LAKE, MS	3,514,000	3,514,000
(FC)	BIG SUNFLOWER RIVER, MS	237,000	2,237,000
(FC)	ENID LAKE, MS	3,556,000	3,556,000
(FC)	GREENWOOD, MS	816,000	816,000
(FC)	GRENADA LAKE, MS	4,662,000	4,662,000
(FC)	MAIN STEM, MS	1,151,000	1,151,000
(FC)	SARDIS LAKE, MS	4,766,000	6,666,000
(FC)	TRIBUTARIES, MS	1,343,000	1,343,000
(FC)	WILL M WHITTINGTON AUX CHAN, MS	498,000	498,000
(FC)	YAZOO BACKWATER AREA, MS	524,000	524,000
(FC)	YAZOO CITY, MS	835,000	835,000
(FC)	INSPECTION OF COMPLETED WORKS, MO	220,000	220,000
(FC)	WAPPAPELLO LAKE, MO	7,468,000	7,468,000
(FC)	INSPECTION OF COMPLETED WORKS, TN	124,000	124,000
(N)	MEMPHIS HARBOR (MCKELLAR LAKE), TN	1,345,000	1,345,000
(FC)	MAPPING	1,027,000	1,027,000
	REDUCTION FOR SAVINGS AND SLIPPAGE	-18,754,000	-18,754,000
	SUBTOTAL, MAINTENANCE	112,764,000	121,714,000
	TOTAL, FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES	266,000,000	296,212,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE
	ALABAMA		
(N)	ALABAMA - COOSA RIVER, AL	4,903,000	4,903,000
	BAYOU CODEN, AL	---	5,000
(N)	BAYOU LA BATRE, AL	5,000	705,000
(N)	BLACK WARRIOR AND TOMBIGBEE RIVERS, AL	16,252,000	18,252,000
(N)	DAUPHIN ISLAND BAY, AL	500,000	752,000
(N)	GULF INTRACOASTAL WATERWAY, AL	3,677,000	3,677,000
(FC)	INSPECTION OF COMPLETED WORKS, AL	30,000	30,000
(MP)	MILLERS FERRY LOCK AND DAM, WILLIAM "BILL" DANNELLY LA	5,835,000	6,335,000
(N)	MOBILE HARBOR, AL	17,936,000	19,936,000
	PERDIDO PASS CHANNEL, AL	---	300,000
(N)	PROJECT CONDITION SURVEYS, AL	300,000	300,000
(MP)	ROBERT F HENRY LOCK AND DAM, AL	3,858,000	4,389,000
(FC)	SCHEDULING RESERVOIR OPERATIONS, AL	20,000	20,000
(N)	TENNESSEE - TOMBIGBEE WATERWAY, AL & MS	16,058,000	18,713,000
(MP)	WALTER F GEORGE LOCK AND DAM, AL & GA	6,044,000	7,544,000
	ALASKA		
(N)	ANCHORAGE HARBOR, AK	1,400,000	1,400,000
(N)	BETHEL HARBOR, AK	20,000	20,000
(FC)	CHENA RIVER LAKES, AK	1,766,000	2,566,000
(N)	DILLINGHAM HARBOR, AK	459,000	459,000
(N)	HOMER HARBOR, AK	245,000	245,000
(FC)	INSPECTION OF COMPLETED WORKS, AK	27,000	27,000
(N)	NINILCHIK HARBOR, AK	200,000	200,000
(N)	NOME HARBOR, AK	260,000	260,000
(N)	PROJECT CONDITION SURVEYS, AK	565,000	565,000
(N)	WRANGELL NARROWS, AK	400,000	400,000
	ARIZONA		
(FC)	ALAMO LAKE, AZ	1,055,000	1,055,000
(FC)	INSPECTION OF COMPLETED WORKS, AZ	107,000	107,000
(FC)	PAINTED ROCK DAM, AZ	2,293,000	2,293,000
(FC)	SCHEDULING RESERVOIR OPERATIONS, AZ	22,000	22,000
(FC)	WHITLOW RANCH DAM, AZ	199,000	199,000
	ARKANSAS		
(MP)	BEAVER LAKE, AR	3,918,000	3,918,000
(MP)	BLAKELY MT DAM - LAKE OUACHITA, AR	4,632,000	4,632,000
(FC)	BLUE MOUNTAIN LAKE, AR	1,105,000	1,105,000
(MP)	BULL SHOALS LAKE, AR	4,810,000	4,810,000
(MP)	DARDANELLE LOCK AND DAM, AR	5,679,000	5,679,000
(MP)	DEGRAY LAKE, AR	3,959,000	3,959,000
(FC)	DEQUEEN LAKE, AR	1,012,000	2,000,000
(FC)	DIERKS LAKE, AR	1,015,000	1,015,000
(FC)	GILLHAM LAKE, AR	946,000	946,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE
(MP)	GREERS FERRY LAKE, AR	4,241,000	4,241,000
(N)	HELENA HARBOR, AR	283,000	283,000
(FC)	INSPECTION OF COMPLETED WORKS, AR	210,000	210,000
(N)	MCCLELLAN - KERR ARKANSAS RIVER NAVIGATION SYSTEM, AR	21,604,000	21,604,000
(FC)	MILLWOOD LAKE, AR	1,647,000	1,647,000
(MP)	NARROWS DAM - LAKE GREESON, AR	3,568,000	3,568,000
(FC)	NIMROD LAKE, AR	1,284,000	1,284,000
(MP)	NORFORK LAKE, AR	3,183,000	3,183,000
(N)	OSCEOLA HARBOR, AR	311,000	311,000
(N)	OUACHITA AND BLACK RIVERS, AR & LA	5,179,000	5,179,000
(MP)	OZARK - JETA TAYLOR LOCK AND DAM, AR	3,789,000	3,789,000
(N)	PROJECT CONDITION SURVEYS, AR	5,000	5,000
(N)	WHITE RIVER, AR	2,265,000	2,265,000
(N)	YELLOW BEND PORT, AR	120,000	120,000
	CALIFORNIA		
(FC)	BLACK BUTTE LAKE, CA	1,587,000	1,587,000
(FC)	BUCHANAN DAM - H V EASTMAN LAKE, CA	1,372,000	1,372,000
(N)	CHANNEL ISLANDS HARBOR, CA	3,000,000	3,000,000
(FC)	COYOTE VALLEY DAM (LAKE MENDOCINO), CA	2,718,000	2,718,000
(N)	CRESCENT CITY HARBOR, CA	1,140,000	1,140,000
(FC)	DRY CREEK (WARM SPRINGS) LAKE AND CHANNEL, CA	3,451,000	3,451,000
(FC)	FARMINGTON DAM, CA	281,000	281,000
(FC)	HIDDEN DAM - HENSLEY LAKE, CA	1,371,000	1,371,000
(N)	HUMBOLDT HARBOR AND BAY, CA	3,775,000	3,775,000
(FC)	INSPECTION OF COMPLETED WORKS, CA	1,326,000	1,326,000
(FC)	ISABELLA LAKE, CA	1,413,000	1,413,000
(N)	LOS ANGELES - LONG BEACH HARBOR MODEL, CA	165,000	165,000
(FC)	LOS ANGELES COUNTY DRAINAGE AREA, CA	4,288,000	5,288,000
	MARINA DEL RAY, CA	---	500,000
(FC)	MERCED COUNTY STREAM GROUP, CA	252,000	252,000
(FC)	MOJAVE RIVER DAM, CA	307,000	307,000
	MORRO BAY HARBOR, CA	---	3,200,000
(FC)	NEW HOGAN LAKE, CA	2,110,000	2,110,000
(MP)	NEW MELONES LAKE (DOWNSTREAM CHANNEL), CA	938,000	938,000
(N)	OAKLAND HARBOR, CA	3,146,000	4,350,000
	OCEANSIDE HARBOR, CA	---	900,000
(N)	PETALUMA RIVER, CA	2,090,000	2,090,000
(FC)	PINE FLAT LAKE, CA	1,968,000	1,968,000
(N)	PROJECT CONDITION SURVEYS, CA	1,615,000	1,615,000
(N)	RICHMOND HARBOR, CA	2,667,000	2,667,000
(N)	SACRAMENTO RIVER (30 FOOT PROJECT), CA	1,778,000	1,778,000
(N)	SACRAMENTO RIVER AND TRIBUTARIES (DEBRIS CONTROL), CA	884,000	884,000
(N)	SACRAMENTO RIVER SHALLOW DRAFT CHANNEL, CA	133,000	133,000
(N)	SAN DIEGO HARBOR, CA	175,000	175,000
(N)	SAN FRANCISCO BAY - DELTA MODEL STRUCTURE, CA	1,787,000	1,787,000
(N)	SAN FRANCISCO HARBOR AND BAY (DRIFT REMOVAL), CA	2,309,000	2,309,000
(N)	SAN FRANCISCO HARBOR, CA	2,267,000	2,267,000
(N)	SAN JOAQUIN RIVER, CA	1,494,000	1,494,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE
(N)	SAN PABLO BAY AND MARE ISLAND STRAIT, CA	1,680,000	1,680,000
(FC)	SANTA ANA RIVER BASIN, CA	2,762,000	2,762,000
(N)	SANTA BARBARA HARBOR, CA	1,492,000	1,492,000
(FC)	SCHEDULING RESERVOIR OPERATIONS, CA	968,000	968,000
(FC)	SUCCESS LAKE, CA	1,573,000	1,573,000
(N)	SUISUN BAY CHANNEL, CA	952,000	952,000
(FC)	TERMINUS DAM (LAKE KAWEAH), CA	2,073,000	2,073,000
(N)	VENTURA HARBOR, CA	2,236,000	2,236,000
	COLORADO		
(FC)	BEAR CREEK LAKE, CO	361,000	361,000
(FC)	CHATFIELD LAKE, CO	715,000	715,000
(FC)	CHERRY CREEK LAKE, CO	945,000	945,000
(FC)	INSPECTION OF COMPLETED WORKS, CO	110,000	110,000
(FC)	JOHN MARTIN RESERVOIR, CO	1,595,000	1,595,000
(FC)	SCHEDULING RESERVOIR OPERATIONS, CO	368,000	368,000
(FC)	TRINIDAD LAKE, CO	627,000	627,000
	CONNECTICUT		
(FC)	BLACK ROCK LAKE, CT	400,000	400,000
(FC)	COLEBROOK RIVER LAKE, CT	558,000	558,000
(FC)	HANCOCK BROOK LAKE, CT	199,000	199,000
(FC)	HOP BROOK LAKE, CT	843,000	843,000
(FC)	INSPECTION OF COMPLETED WORKS, CT	35,000	35,000
(FC)	MANSFIELD HOLLOW LAKE, CT	360,000	360,000
(FC)	NORTHFIELD BROOK LAKE, CT	401,000	401,000
(N)	PATCHOGUE RIVER, CT	466,000	466,000
(N)	PROJECT CONDITION SURVEYS, CT	1,241,000	1,241,000
(FC)	STAMFORD HURRICANE BARRIER, CT	351,000	351,000
(FC)	THOMASTON DAM, CT	489,000	489,000
(FC)	WEST THOMPSON LAKE, CT	395,000	395,000
	DELAWARE		
(N)	CHESAPEAKE AND DELAWARE CANAL - ST GEORGE'S BRIDGE REP	14,000,000	14,000,000
(N)	INTRACOASTAL WATERWAY, DELAWARE R TO CHESAPEAKE BAY, D	11,794,000	11,794,000
(N)	MISPILLION RIVER, DE	165,000	165,000
(N)	PROJECT CONDITION SURVEYS, DE	50,000	50,000
(N)	WILMINGTON HARBOR, DE	2,360,000	2,360,000
	DISTRICT OF COLUMBIA		
(FC)	INSPECTION OF COMPLETED WORKS, DC	6,000	6,000
(N)	POTOMAC AND ANACOSTIA RIVERS (DRIFT REMOVAL), DC	840,000	840,000
(N)	PROJECT CONDITION SURVEYS, DC	32,000	32,000
(N)	WASHINGTON HARBOR, DC	35,000	35,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE
	FLORIDA		
(N)	AIWW, NORFOLK TO ST JOHNS RIVER, FL, GA, SC, NC & VA..	30,000	30,000
	ANCLOTE RIVER, FL	---	1,500,000
(N)	CANAVERAL HARBOR, FL	6,460,000	6,460,000
(N)	CARRABELLE HARBOR, FL	520,000	520,000
(FC)	CENTRAL AND SOUTHERN FLORIDA, FL	9,500,000	9,500,000
	CHARLOTTE HARBOR, FL	---	2,000,000
(N)	FERNANDINA HARBOR, FL	1,536,000	1,536,000
(N)	FORT PIERCE HARBOR, FL	717,000	717,000
	HORSESHOE COVE, FL	---	1,000,000
(FC)	INSPECTION OF COMPLETED WORKS, FL	50,000	50,000
(N)	INTRACOASTAL WATERWAY, CALOOSAHATCHEE R TO ANCLOTE R,.	47,000	47,000
(N)	INTRACOASTAL WATERWAY, JACKSONVILLE TO MIAMI, FL	2,909,000	2,909,000
(N)	JACKSONVILLE HARBOR, FL	5,961,000	7,500,000
(MP)	JIM WOODRUFF LOCK AND DAM, LAKE SEMINOLE, FL, AL & GA.	5,399,000	5,399,000
(N)	MIAMI HARBOR, FL	408,000	408,000
(N)	OKEECHOBEE WATERWAY, FL	3,503,000	3,503,000
(N)	PALM BEACH HARBOR, FL	1,079,000	1,079,000
(N)	PANAMA CITY HARBOR, FL	700,000	700,000
(N)	PENSACOLA HARBOR, FL	50,000	50,000
(N)	PONCE DE LEON INLET, FL	3,500,000	3,500,000
(N)	PORT EVERGLADES HARBOR, FL	5,000	5,000
(N)	PROJECT CONDITION SURVEYS, FL	410,000	410,000
	REMOVAL OF AQUATIC GROWTH, FL	3,032,000	3,032,000
(N)	ST PETERSBURG HARBOR, FL	10,000	10,000
(N)	STEINHATCHEE RIVER, FL	5,000	5,000
(N)	TAMPA HARBOR, FL	6,607,000	6,607,000
(N)	WITHLACOOCHIE RIVER, FL	34,000	34,000
	GEORGIA		
(MP)	ALLATOONA LAKE, GA	4,628,000	4,628,000
(N)	APALACHICOLA CHATTAHOOCHEE AND FLINT RIVERS, GA, AL &.	4,741,000	6,500,000
(N)	ATLANTIC INTRACOASTAL WATERWAY, GA	1,783,000	1,783,000
(N)	BRUNSWICK HARBOR, GA	3,030,000	3,030,000
(MP)	BUFORD DAM AND LAKE SIDNEY LANIER, GA	6,179,000	6,179,000
(MP)	CARTERS DAM AND LAKE, GA	4,500,000	4,500,000
(MP)	HARTWELL LAKE, GA & SC	9,547,000	9,547,000
(FC)	INSPECTION OF COMPLETED WORKS, GA	40,000	40,000
(MP)	J STROM THURMOND LAKE, GA & SC	8,982,000	8,982,000
(MP)	RICHARD B RUSSELL DAM AND LAKE, GA & SC	7,520,000	7,520,000
(N)	SAVANNAH HARBOR, GA	8,053,000	14,500,000
(N)	SAVANNAH RIVER BELOW AUGUSTA, GA	207,000	207,000
(MP)	WEST POINT DAM AND LAKE, GA & AL	4,631,000	4,631,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE
	HAWAII		
(N)	BARBERS POINT HARBOR, HI	84,000	84,000
(N)	HALEIWA SMALL BOAT HARBOR, HI	334,000	334,000
(FC)	INSPECTION OF COMPLETED WORKS, HI	188,000	188,000
(N)	PROJECT CONDITION SURVEYS, HI	415,000	415,000
(N)	WAIANAE SMALL BOAT HARBOR, HI	334,000	334,000
	IDAHO		
(MP)	ALBENI FALLS DAM, ID	4,775,000	4,775,000
(MP)	DWORSHAK DAM AND RESERVOIR, ID	7,866,000	7,866,000
(FC)	INSPECTION OF COMPLETED WORKS, ID	89,000	89,000
(FC)	LUCKY PEAK LAKE, ID	1,087,000	1,087,000
(FC)	SCHEDULING RESERVOIR OPERATIONS, ID	193,000	193,000
(N)	SURVEILLANCE OF NORTHERN BOUNDARY WATERS, ID	64,000	64,000
	ILLINOIS		
(N)	CALUMET HARBOR AND RIVER, IL & IN	717,000	717,000
(FC)	CARLYLE LAKE, IL	3,908,000	3,908,000
(N)	CHICAGO HARBOR, IL	4,545,000	4,545,000
(N)	CHICAGO RIVER, IL	343,000	343,000
(FC)	FARM CREEK RESERVOIRS, IL	294,000	294,000
(N)	ILLINOIS WATERWAY (LMVD PORTION), IL	1,310,000	1,310,000
(N)	ILLINOIS WATERWAY (NCD PORTION), IL & IN	22,738,000	22,738,000
(FC)	INSPECTION OF COMPLETED WORKS, IL	657,000	657,000
(N)	KASKASKIA RIVER NAVIGATION, IL	1,433,000	1,633,000
(N)	LAKE MICHIGAN DIVERSION, IL	796,000	796,000
(FC)	LAKE SHELBYVILLE, IL	4,820,000	4,820,000
(N)	MISS R BETWEEN MO R AND MINNEAPOLIS (LMVD PORTION), IL	10,535,000	10,535,000
(N)	MISS R BETWEEN MO R AND MINNEAPOLIS, IL, IA, MN, MO &.	81,363,000	81,363,000
(N)	PROJECT CONDITION SURVEYS, IL	110,000	110,000
(FC)	REND LAKE, IL	3,451,000	3,451,000
(N)	SURVEILLANCE OF NORTHERN BOUNDARY WATERS, IL	129,000	129,000
(N)	WAUKEGAN HARBOR, IL	643,000	643,000
	INDIANA		
	BEVERLY SHORES, IN	---	1,700,000
(FC)	BROOKVILLE LAKE, IN	754,000	754,000
(N)	BURNS WATERWAY HARBOR, IN	902,000	902,000
(FC)	CAGLES MILL LAKE, IN	709,000	709,000
(FC)	CECIL M HARDEN LAKE, IN	715,000	715,000
(FC)	HUNTINGTON LAKE, IN	1,242,000	1,242,000
(N)	INDIANA HARBOR, IN	732,000	732,000
(FC)	INSPECTION OF COMPLETED WORKS, IN	133,000	133,000
(N)	MICHIGAN CITY HARBOR, IN	56,000	56,000
(FC)	MISSISSINEWA LAKE, IN	975,000	975,000
(FC)	MONROE LAKE, IN	778,000	778,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE
(FC)	PATOKA LAKE, IN	739,000	739,000
(N)	PROJECT CONDITION SURVEYS, IN	30,000	30,000
(FC)	SALAMONIE LAKE, IN	832,000	832,000
(N)	SURVEILLANCE OF NORTHERN BOUNDARY WATERS, IN	120,000	120,000
	IOWA		
(FC)	CORALVILLE LAKE, IA	2,731,000	2,731,000
(FC)	INSPECTION OF COMPLETED WORKS, IA	183,000	183,000
(FC)	MISSOURI RIVER - KENSLERS BEND, NE TO SIOUX CITY, IA	152,000	152,000
(N)	MISSOURI RIVER - SIOUX CITY TO MOUTH, IA, NE, KS & MO.	6,496,000	6,496,000
(FC)	RATHBUN LAKE, IA	1,746,000	1,746,000
(FC)	RED ROCK DAM - LAKE RED ROCK, IA	3,291,000	3,291,000
(FC)	SAYLORVILLE LAKE, IA	4,191,000	4,191,000
	KANSAS		
(FC)	CLINTON LAKE, KS	1,482,000	1,482,000
(FC)	COUNCIL GROVE LAKE, KS	1,003,000	1,003,000
(FC)	EL DORADO LAKE, KS	488,000	488,000
(FC)	ELK CITY LAKE, KS	699,000	699,000
(FC)	FALL RIVER LAKE, KS	772,000	772,000
(FC)	HILLSDALE LAKE, KS	790,000	790,000
(FC)	INSPECTION OF COMPLETED WORKS, KS	250,000	250,000
(FC)	JOHN REDMOND DAM AND RESERVOIR, KS	1,019,000	1,019,000
(FC)	KANOPOLIS LAKE, KS	1,219,000	1,219,000
(FC)	MARION LAKE, KS	1,630,000	1,630,000
(FC)	MELVERN LAKE, KS	1,580,000	1,580,000
(FC)	MILFORD LAKE, KS	1,537,000	1,537,000
(FC)	PEARSON - SKUBITZ BIG HILL LAKE, KS	799,000	799,000
(FC)	PERRY LAKE, KS	1,673,000	1,673,000
(FC)	POMONA LAKE, KS	1,533,000	1,533,000
(FC)	SCHEDULING RESERVOIR OPERATIONS, KS	178,000	178,000
(FC)	TORONTO LAKE, KS	364,000	364,000
(FC)	TUTTLE CREEK LAKE, KS	1,858,000	1,858,000
(FC)	WILSON LAKE, KS	1,349,000	1,349,000
	KENTUCKY		
(MP)	BARKLEY DAM AND LAKE BARKLEY, KY & TN	8,127,000	8,127,000
(FC)	BARREN RIVER LAKE, KY	1,918,000	1,918,000
(N)	BIG SANDY HARBOR, KY	1,120,000	1,120,000
(FC)	BUCKHORN LAKE, KY	1,309,000	1,309,000
(FC)	CARR FORK LAKE, KY	1,374,000	1,374,000
(FC)	CAVE RUN LAKE, KY	908,000	908,000
(FC)	DEWEY LAKE, KY	1,167,000	1,167,000
(N)	ELVIS STAHR (HICKMAN) HARBOR, KY	334,000	334,000
(FC)	FISHTRAP LAKE, KY	1,602,000	1,602,000
(FC)	GRAYSON LAKE, KY	1,014,000	1,014,000
(N)	GREEN AND BARREN RIVERS, KY	1,915,000	1,915,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE
(FC)	GREEN RIVER LAKE, KY	1,759,000	1,759,000
(FC)	INSPECTION OF COMPLETED WORKS, KY	137,000	137,000
(N)	KENTUCKY RIVER, KY	4,843,000	4,843,000
(MP)	LAUREL RIVER LAKE, KY	1,233,000	1,233,000
(N)	LICKING RIVER OPEN CHANNEL WORK, KY	22,000	22,000
(FC)	MARTINS FORK LAKE, KY	654,000	654,000
(FC)	MIDDLESBORO CUMBERLAND RIVER BASIN, KY	52,000	52,000
(FC)	NOLIN LAKE, KY	1,795,000	1,795,000
(N)	OHIO RIVER LOCKS AND DAMS, KY, IL, IN, OH, PA & WV	53,126,000	53,126,000
(N)	OHIO RIVER OPEN CHANNEL WORK, KY, IL, IN, OH, PA & WV	5,889,000	5,889,000
(FC)	PAINTSVILLE LAKE, KY	878,000	878,000
(N)	PROJECT CONDITION SURVEYS, KY	5,000	5,000
(FC)	ROUGH RIVER LAKE, KY	1,669,000	1,669,000
(FC)	TAYLORSVILLE LAKE, KY	1,086,000	1,086,000
(MP)	WOLF CREEK DAM - LAKE CUMBERLAND, KY	4,290,000	6,790,000
(FC)	YATESVILLE LAKE, KY	1,111,000	1,111,000
	LOUISIANA		
(N)	ATCHAFALAYA RIVER AND BAYOUS CHENE, BOEUF AND BLACK, L	10,436,000	10,436,000
(N)	BARATARIA BAY WATERWAY, LA	505,000	505,000
(FC)	BAYOU BODCAU RESERVOIR, LA	466,000	466,000
(N)	BAYOU LAFOURCHE AND LAFOURCHE JUMP WATERWAY, LA	5,000	5,000
(FC)	BAYOU PIERRE, LA	25,000	25,000
(N)	BAYOU SEGNETTE WATERWAY, LA	10,000	10,000
(N)	BAYOU TECHE AND VERMILION RIVER, LA	25,000	25,000
(N)	BAYOU TECHE, LA	172,000	172,000
(FC)	CADDO LAKE, LA	78,000	78,000
(N)	CALCASIEU RIVER AND PASS, LA	6,480,000	6,680,000
(N)	FRESHWATER BAYOU, LA	2,452,000	2,452,000
(N)	GULF INTRACOASTAL WATERWAY, LA & TX	15,015,000	15,015,000
(N)	HOUMA NAVIGATION CANAL, LA	826,000	826,000
(FC)	INSPECTION OF COMPLETED WORKS, LA	414,000	414,000
(N)	LAKE PROVIDENCE HARBOR, LA	371,000	371,000
(N)	MADISON PARISH PORT, LA	56,000	56,000
(N)	MERMENTAU RIVER, LA	1,143,000	1,143,000
(N)	MISSISSIPPI RIVER - BATON ROUGE TO GULF OF MEXICO, LA.	41,000,000	48,100,000
(N)	MISSISSIPPI RIVER - GULF OUTLET, LA	10,998,000	14,498,000
	MISSISSIPPI RIVER OUTLETS AT VENICE, LA	---	2,400,000
(N)	PROJECT CONDITION SURVEYS, LA	144,000	144,000
(N)	RED RIVER WATERWAY, MISSISSIPPI RIVER TO SHREVEPORT, L	7,714,000	10,192,000
	REMOVAL OF AQUATIC GROWTH, LA	1,960,000	1,960,000
(FC)	WALLACE LAKE, LA	152,000	152,000
(N)	WATERWAY - EMPIRE TO THE GULF, LA	765,000	765,000
(N)	WATERWAY FROM INTRACOASTAL WATERWAY TO B DULAC, LA	335,000	335,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE
	MAINE		
(FC)	INSPECTION OF COMPLETED WORKS, ME	15,000	15,000
(N)	PROJECT CONDITION SURVEYS, ME	722,000	722,000
	MARYLAND		
(N)	BALTIMORE HARBOR & CHANNELS, MD (50 FT)	12,025,000	12,025,000
(N)	BALTIMORE HARBOR (DRIFT REMOVAL), MD	425,000	425,000
(N)	BALTIMORE HARBOR (PREVENTION OF OBSTRUCTIVE DEPOSITS),	560,000	560,000
(N)	CHESTER RIVER, MD	65,000	65,000
(FC)	CUMBERLAND, MD AND RIDGELEY, WV	111,000	111,000
(N)	HONGA RIVER AND TAR BAY, MD	677,000	677,000
(FC)	INSPECTION OF COMPLETED WORKS, MD	28,000	28,000
(FC)	JENNINGS RANDOLPH LAKE, MD & WV	1,528,000	1,528,000
(N)	LOWER THOROFARE, DEAL ISLAND, MD	63,000	63,000
(N)	OCEAN CITY HARBOR AND INLET AND SINEPUXENT BAY, MD	47,000	47,000
(N)	PROJECT CONDITION SURVEYS, MD	306,000	306,000
(FC)	SCHEDULING RESERVOIR OPERATIONS, MD	79,000	79,000
(N)	TWITCH COVE AND BIG THOROFARE RIVER, MD	2,600,000	2,600,000
(N)	UPPER THOROFARE, MD	53,000	53,000
(N)	WICOMICO RIVER, MD	829,000	829,000
	MASSACHUSETTS		
(FC)	BARRE FALLS DAM, MA	340,000	340,000
(FC)	BIRCH HILL DAM, MA	385,000	385,000
(N)	BOSTON HARBOR, MA	16,500,000	16,500,000
(FC)	BUFFUMVILLE LAKE, MA	359,000	359,000
(N)	CAPE COD CANAL, MA	8,855,000	8,855,000
(FC)	CHARLES RIVER NATURAL VALLEY STORAGE AREA, MA	156,000	156,000
	COHASSET HARBOR, MA	---	1,500,000
(FC)	CONANT BROOK LAKE, MA	138,000	138,000
(FC)	EAST BRIMFIELD LAKE, MA	327,000	327,000
(N)	GREEN HARBOR, MA	296,000	296,000
(FC)	HODGES VILLAGE DAM, MA	348,000	348,000
(FC)	INSPECTION OF COMPLETED WORKS, MA	78,000	78,000
(FC)	KNIGHTVILLE DAM, MA	527,000	527,000
(FC)	LITTLEVILLE LAKE, MA	459,000	459,000
(FC)	NEW BEDFORD FAIRHAVEN AND ACUSHNET HURRICANE BARRIER,	242,000	242,000
(N)	PROJECT CONDITION SURVEYS, MA	1,117,000	1,117,000
(N)	SURVEILLANCE OF NORTHERN BOUNDARY WATERS, MA	16,000	16,000
(FC)	TULLY LAKE, MA	391,000	391,000
(FC)	WEST HILL DAM, MA	415,000	415,000
(FC)	WESTVILLE LAKE, MA	488,000	488,000
	MICHIGAN		
(N)	ALPENA HARBOR, MI	324,000	324,000
	CEDAR RIVER HARBOR, MI	---	2,377,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE
(N)	CHANNELS IN LAKE ST CLAIR, MI	805,000	805,000
(N)	CHARLEVOIX HARBOR, MI	475,000	475,000
(N)	DETROIT RIVER, MI	2,839,000	2,839,000
(N)	FRANKFORT HARBOR, MI	210,000	210,000
	FLINT RIVER, MI	---	875,000
(N)	GRAND HAVEN HARBOR, MI	1,129,000	1,129,000
(N)	HARBOR BEACH HARBOR, MI	359,000	359,000
(N)	HOLLAND HARBOR, MI	392,000	392,000
(FC)	INSPECTION OF COMPLETED WORKS, MI	205,000	205,000
(N)	KEWEENAW WATERWAY, MI	976,000	976,000
(N)	LUDINGTON HARBOR, MI	607,000	607,000
(N)	MANISTEE HARBOR, MI	276,000	276,000
(N)	MANISTIQUE HARBOR, MI	60,000	60,000
(N)	MARQUETTE HARBOR, MI	257,000	257,000
(N)	MENOMINEE HARBOR, MI & WI	337,000	337,000
(N)	MONROE HARBOR, MI	316,000	316,000
(N)	MUSKEGON HARBOR, MI	157,000	157,000
(N)	ONTONAGON HARBOR, MI	407,000	407,000
(N)	PENTWATER HARBOR, MI	1,579,000	1,579,000
(N)	PORTAGE LAKE HARBOR, MI	21,000	21,000
(N)	PROJECT CONDITION SURVEYS, MI	211,000	211,000
(N)	ROUGE RIVER, MI	134,000	134,000
(N)	SAGINAW RIVER, MI	1,291,000	1,291,000
(FC)	SEBEWAING RIVER (ICE JAM REMOVAL), MI	10,000	10,000
(N)	ST CLAIR RIVER, MI	1,014,000	1,014,000
(N)	ST JOSEPH HARBOR, MI	587,000	587,000
(MP)	ST MARYS RIVER, MI	17,744,000	17,744,000
(N)	SURVEILLANCE OF NORTHERN BOUNDARY WATERS, MI	2,353,000	2,353,000
(N)	WHITE LAKE HARBOR, MI	1,585,000	1,585,000
	MINNESOTA		
	ALTERNATIVE TECHNOLOGY PROJECT, DULUTH, MN	---	200,000
(FC)	BIGSTONE LAKE WHETSTONE RIVER, MN & SD	184,000	184,000
(N)	DULUTH - SUPERIOR HARBOR, MN & WI	3,749,000	3,749,000
(FC)	INSPECTION OF COMPLETED WORKS, MN	103,000	103,000
(FC)	LAC QUI PARLE LAKES, MINNESOTA RIVER, MN	549,000	549,000
(N)	MINNESOTA RIVER, MN	150,000	150,000
(FC)	ORWELL LAKE, MN	930,000	930,000
(N)	PROJECT CONDITION SURVEYS, MN	70,000	70,000
(FC)	RED LAKE RESERVOIR, MN	175,000	175,000
(N)	RESERVOIRS AT HEADWATERS OF MISSISSIPPI RIVER, MN	2,677,000	2,677,000
(N)	SURVEILLANCE OF NORTHERN BOUNDARY WATERS, MN	239,000	239,000
	MISSISSIPPI		
(N)	BILOXI HARBOR, MS	464,000	464,000
(N)	CLAIBORNE COUNTY PORT, MS	158,000	158,000
(FC)	EAST FORK, TOMBIGBEE RIVER, MS	120,000	120,000
(N)	GULFPORT HARBOR, MS	2,121,000	2,121,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE
(FC)	INSPECTION OF COMPLETED WORKS, MS	114,000	114,000
(N)	MOUTH OF YAZOO RIVER, MS	79,000	79,000
(FC)	OKATIBBEE LAKE, MS	1,500,000	1,500,000
(N)	PASCAGOULA HARBOR, MS	2,620,000	2,620,000
(N)	PEARL RIVER, MS & LA	391,000	391,000
(N)	PROJECT CONDITION SURVEYS, MS	5,000	5,000
(N)	ROSEDALE HARBOR, MS	406,000	406,000
(N)	YAZOO RIVER, MS	15,000	15,000
	MISSOURI		
(N)	CARUTHERSVILLE HARBOR, MO	176,000	176,000
(MP)	CLARENCE CANNON DAM AND MARK TWAIN LAKE, MO	4,677,000	5,000,000
(FC)	CLEARWATER LAKE, MO	1,991,000	2,341,000
(MP)	HARRY S TRUMAN DAM AND RESERVOIR, MO	8,006,000	8,006,000
(FC)	INSPECTION OF COMPLETED WORKS, MO	399,000	399,000
(FC)	LITTLE BLUE RIVER LAKES, MO	867,000	867,000
(FC)	LONG BRANCH LAKE, MO	889,000	889,000
(N)	MISS RIVER BTWN THE OHIO AND MO RIVERS (REG WORKS), MO	14,839,000	14,839,000
(N)	NEW MADRID HARBOR, MO	21,000	21,000
(FC)	POMME DE TERRE LAKE, MO	1,668,000	1,668,000
(N)	PROJECT CONDITION SURVEYS, MO	5,000	5,000
(FC)	SMITHVILLE LAKE, MO	1,063,000	1,063,000
(N)	SOUTHEAST MISSOURI PORT, MISSISSIPPI RIVER, MO	275,000	275,000
(MP)	STOCKTON LAKE, MO	2,988,000	2,988,000
(MP)	TABLE ROCK LAKE, MO	4,576,000	4,576,000
(FC)	UNION LAKE, MO	5,000	5,000
(FC)	WAPPAPELLO LAKE, MO	20,000	20,000
	MONTANA		
(MP)	FT PECK DAM AND LAKE, MT	3,664,000	3,664,000
(FC)	INSPECTION OF COMPLETED WORKS, MT	23,000	23,000
(MP)	LIBBY DAM, LAKE KOOCANUSA, MT	6,517,000	6,517,000
(FC)	SCHEDULING RESERVOIR OPERATIONS, MT	53,000	53,000
(N)	SURVEILLANCE OF NORTHERN BOUNDARY WATERS, MT	69,000	69,000
	NEBRASKA		
(MP)	GAVINS POINT DAM, LEWIS AND CLARK LAKE, NE & SD	5,469,000	5,469,000
(FC)	HARLAN COUNTY LAKE, NE	1,395,000	1,395,000
(FC)	INSPECTION OF COMPLETED WORKS, NE	164,000	164,000
	MISSOURI NATIONAL RECREATIONAL RIVER, NE	---	200,000
(MP)	MISSOURI R MASTER WTR CONTROL MANUAL, NE, IA, KS, MO,	1,800,000	1,800,000
(MP)	MISSOURI RIVER BASIN COLLABORATIVE WATER PLANNING, NE	250,000	250,000
(FC)	PAPILLION CREEK & TRIBUTARIES LAKES, NE	690,000	690,000
(FC)	SALT CREEK AND TRIBUTARIES, NE	854,000	854,000
(FC)	SCHEDULING RESERVOIR OPERATIONS, NE	116,000	116,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE
	NEVADA		
(FC)	MARTIS CREEK LAKE, NV & CA	480,000	480,000
(FC)	PINE AND MATHEWS CANYONS LAKES, NV	145,000	145,000
	NEW HAMPSHIRE		
(FC)	BLACKWATER DAM, NH	404,000	404,000
(FC)	EDWARD MACDOWELL LAKE, NH	456,000	456,000
(FC)	FRANKLIN FALLS DAM, NH	813,000	813,000
(FC)	HOPKINTON - EVERETT LAKES, NH	973,000	973,000
(FC)	INSPECTION OF COMPLETED WORKS, NH	10,000	10,000
(FC)	OTTER BROOK LAKE, NH	478,000	478,000
(N)	PROJECT CONDITION SURVEYS, NH	161,000	161,000
(FC)	SURRY MOUNTAIN LAKE, NH	616,000	616,000
	NEW JERSEY		
(N)	BARNEGAT INLET, NJ	1,050,000	1,050,000
(N)	COLD SPRING INLET, NJ	375,000	375,000
(N)	DELAWARE RIVER AT CAMDEN, NJ	20,000	20,000
(N)	DELAWARE RIVER, PHILADELPHIA TO THE SEA, NJ, PA & DE	15,098,000	15,098,000
(N)	DELAWARE RIVER, PHILADELPHIA, PA TO TRENTON, NJ	1,480,000	1,480,000
(FC)	INSPECTION OF COMPLETED WORKS, NJ	443,000	443,000
(N)	NEW JERSEY INTRACOASTAL WATERWAY, NJ	2,040,000	2,040,000
(N)	NEWARK BAY, HACKENSACK AND PASSAIC RIVERS, NJ	670,000	5,710,000
(N)	PROJECT CONDITION SURVEYS, NJ	1,021,000	1,021,000
(N)	RARITAN RIVER TO ARTHUR KILL CUT-OFF, NJ	250,000	250,000
	TUCKERTON CREEK, NJ	---	650,000
	NEW MEXICO		
(FC)	ABIQUIU DAM, NM	1,295,000	1,295,000
(FC)	COCHITI LAKE, NM	1,922,000	1,922,000
(FC)	CONCHAS LAKE, NM	1,081,000	1,081,000
(FC)	GALISTEO DAM, NM	299,000	299,000
(FC)	INSPECTION OF COMPLETED WORKS, NM	66,000	66,000
(FC)	JEMEZ CANYON DAM, NM	457,000	457,000
(FC)	SANTA ROSA DAM AND LAKE, NM	891,000	891,000
(FC)	SCHEDULING RESERVOIR OPERATIONS, NM	64,000	64,000
(FC)	TWO RIVERS DAM, NM	323,000	323,000
	UPPER RIO GRANDE WATER OPERATIONS MODEL	---	1,000,000
	NEW YORK		
(FC)	ALMOND LAKE, NY	435,000	435,000
(FC)	ARKPORT DAM, NY	218,000	218,000
(N)	BLACK ROCK CHANNEL AND TONAWANDA HARBOR, NY	4,350,000	4,350,000
(N)	BRONX RIVER, NY	600,000	600,000
(N)	BUFFALO HARBOR, NY	1,550,000	1,550,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE
	BUFFALO HARBOR ENVIRONMENTAL DREDGING, NY	---	125,000
(N)	BUTTERMILK CHANNEL, NY	220,000	220,000
(N)	CATSKILL CREEK, NY	20,000	20,000
(N)	DUNKIRK HARBOR, NY	545,000	545,000
(N)	EAST ROCKAWAY INLET, NY	2,000,000	2,000,000
(FC)	EAST SIDNEY LAKE, NY	483,000	483,000
(N)	EASTCHESTER CREEK, NY	650,000	650,000
(N)	FLUSHING BAY & CREEK, NY	155,000	155,000
(N)	GLEN COVE CREEK, NY	540,000	540,000
(N)	HUDSON RIVER, NY	3,275,000	3,275,000
(FC)	INSPECTION OF COMPLETED WORKS, NY	549,000	549,000
(N)	JAMAICA BAY, NY	100,000	100,000
	MAMARONECK HARBOR, NY	---	4,500,000
(FC)	MT MORRIS LAKE, NY	1,385,000	1,385,000
(N)	NEW YORK AND NEW JERSEY CHANNELS, NY	800,000	32,000,000
(N)	NEW YORK HARBOR (DRIFT REMOVAL), NY & NJ	4,800,000	4,800,000
(N)	NEW YORK HARBOR (PREVENTION OF OBSTRUCTIVE DEPOSITS),	730,000	730,000
(N)	NEW YORK HARBOR, NY	7,764,000	7,764,000
	OWASCO OUTLET, NY	---	250,000
(N)	PROJECT CONDITION SURVEYS, NY	1,504,000	1,504,000
(N)	RONDOUT HARBOR, NY	1,245,000	1,245,000
	SAG HARBOR, NY	---	90,000
(N)	SAUGERTIES HARBOR, NY	20,000	20,000
(FC)	SOUTHERN NEW YORK FLOOD CONTROL PROJECTS, NY	526,000	526,000
(N)	SURVEILLANCE OF NORTHERN BOUNDARY WATERS, NY	651,000	651,000
(N)	WESTCHESTER CREEK, NY	500,000	500,000
(FC)	WHITNEY POINT LAKE, NY	627,000	627,000
	NORTH CAROLINA		
(N)	ATLANTIC INTRACOASTAL WATERWAY, NC	5,438,000	5,438,000
(FC)	B EVERETT JORDAN DAM AND LAKE, NC	973,000	973,000
(N)	BOGUE INLET AND CHANNEL, NC	590,000	590,000
(N)	CAPE FEAR RIVER ABOVE WILMINGTON, NC	648,000	648,000
(N)	CAROLINA BEACH INLET, NC	1,340,000	1,340,000
(FC)	FALLS LAKE, NC	867,000	867,000
(FC)	INSPECTION OF COMPLETED WORKS, NC	22,000	22,000
(N)	LOCKWOODS FOLLY RIVER, NC	375,000	375,000
(N)	MANTEO (SHALLOWBAG) BAY, NC	5,074,000	5,074,000
(N)	MASONBORO INLET AND CONNECTING CHANNELS, NC	2,200,000	2,200,000
(N)	MOREHEAD CITY HARBOR, NC	2,672,000	2,672,000
(N)	NEW RIVER INLET, NC	650,000	650,000
(N)	NEW TOPSAIL INLET AND CONNECTING CHANNELS, NC	180,000	180,000
(N)	PAMLICO AND TAR RIVERS, NC	100,000	100,000
(N)	PROJECT CONDITION SURVEYS, NC	59,000	59,000
(N)	ROANOKE RIVER, NC	100,000	100,000
(FC)	W KERR SCOTT DAM AND RESERVOIR, NC	1,468,000	1,468,000
(N)	WILMINGTON HARBOR, NC	5,834,000	5,834,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE
	NORTH DAKOTA		
	SD & NE, BTID (SEC. 33)	---	750,000
(FC)	BOWMAN - HALEY LAKE, ND	194,000	194,000
(MP)	GARRISON DAM, LAKE SAKAKAWEA, ND	9,143,000	9,193,000
(FC)	HOMME LAKE, ND	188,000	188,000
(FC)	INSPECTION OF COMPLETED WORKS, ND	60,000	60,000
(FC)	LAKE ASHTABULA AND BALDHILL DAM, ND	1,149,000	1,149,000
	MISSOURI RIVER BETION FT. PECK, MT & GAVINS FT. DAM	---	750,000
(FC)	PIPESTEM LAKE, ND	395,000	395,000
(FC)	SOURIS RIVER, ND	188,000	188,000
(N)	SURVEILLANCE OF NORTHERN BOUNDARY WATERS, ND	30,000	30,000
	OHIO		
(FC)	ALUM CREEK LAKE, OH	616,000	616,000
(N)	ASHTABULA HARBOR, OH	1,175,000	1,175,000
(FC)	BERLIN LAKE, OH	2,368,000	2,368,000
(FC)	CAESAR CREEK LAKE, OH	1,153,000	1,153,000
(FC)	CLARENCE J BROWN DAM, OH	726,000	726,000
(N)	CLEVELAND HARBOR, OH	6,560,000	6,560,000
(N)	CONNEAUT HARBOR, OH	1,358,000	1,358,000
(FC)	DEER CREEK LAKE, OH	678,000	678,000
(FC)	DELAWARE LAKE, OH	814,000	814,000
(FC)	DILLON LAKE, OH	501,000	501,000
(N)	FAIRPORT HARBOR, OH	400,000	400,000
(N)	HURON HARBOR, OH	1,035,000	1,035,000
(FC)	INSPECTION OF COMPLETED WORKS, OH	220,000	220,000
(N)	LORAIN HARBOR, OH	1,325,000	1,325,000
	MAHONING RIVER, OH	---	1,000,000
(FC)	MASSILLON LOCAL PROTECTION PROJECT, OH	25,000	25,000
(FC)	MICHAEL J KIRWAN DAM AND RESERVOIR, OH	882,000	882,000
(FC)	MOSQUITO CREEK LAKE, OH	965,000	965,000
(FC)	MUSKINGUM RIVER LAKES, OH	6,060,000	6,060,000
(FC)	NORTH BRANCH KOKOSING RIVER LAKE, OH	311,000	311,000
(FC)	PAINT CREEK LAKE, OH	569,000	569,000
(N)	PORTSMOUTH HARBOR, OH	75,000	75,000
(N)	PROJECT CONDITION SURVEYS, OH	74,000	74,000
(FC)	ROSEVILLE LOCAL PROTECTION PROJECT, OH	30,000	30,000
(N)	SANDUSKY HARBOR, OH	1,015,000	1,015,000
(N)	SURVEILLANCE OF NORTHERN BOUNDARY WATERS, OH	206,000	206,000
(N)	TOLEDO HARBOR, OH	3,575,000	3,575,000
(FC)	TOM JENKINS DAM, OH	245,000	245,000
(FC)	WEST FORK OF MILL CREEK LAKE, OH	546,000	546,000
(FC)	WILLIAM H HARSHA LAKE, OH	846,000	846,000
	OKLAHOMA		
(FC)	ARCADIA LAKE, OK	277,000	277,000
(FC)	BIRCH LAKE, OK	836,000	836,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE
(MP)	BROKEN BOW LAKE, OK	1,671,000	1,671,000
(FC)	CANDY LAKE, OK	39,000	39,000
(FC)	CANTON LAKE, OK	1,756,000	1,756,000
(FC)	COPAN LAKE, OK	906,000	906,000
(MP)	EUFAULA LAKE, OK	3,959,000	3,959,000
(MP)	FORT GIBSON LAKE, OK	3,354,000	3,354,000
(FC)	FORT SUPPLY LAKE, OK	817,000	817,000
	GRAND NEOSHO RIVER BASIN, OK	---	500,000
(FC)	GREAT SALT PLAINS LAKE, OK	323,000	323,000
(FC)	HEYBURN LAKE, OK	813,000	813,000
(FC)	HUGO LAKE, OK	1,510,000	1,510,000
(FC)	HULAH LAKE, OK	462,000	462,000
(FC)	INSPECTION OF COMPLETED WORKS, OK	168,000	168,000
(FC)	KAW LAKE, OK	1,735,000	1,735,000
(MP)	KEYSTONE LAKE, OK	3,453,000	3,453,000
(FC)	OOLOGAH LAKE, OK	1,329,000	1,329,000
(FC)	OPTIMA LAKE, OK	265,000	265,000
(FC)	PENSACOLA RESERVOIR - LAKE OF THE CHEROKEES, OK	20,000	20,000
(FC)	PINE CREEK LAKE, OK	1,088,000	1,088,000
(MP)	ROBERT S KERR LOCK AND DAM AND RESERVOIRS, OK	3,795,000	3,795,000
(FC)	SARDIS LAKE, OK	1,037,000	1,037,000
(FC)	SCHEDULING RESERVOIR OPERATIONS, OK	558,000	558,000
(FC)	SKIATOOK LAKE, OK	949,000	949,000
(MP)	TENKILLER FERRY LAKE, OK	3,423,000	3,423,000
(FC)	WAURIKA LAKE, OK	1,486,000	1,486,000
(MP)	WEBBERS FALLS LOCK AND DAM, OK	3,288,000	3,288,000
(FC)	WISTER LAKE, OK	824,000	824,000
	OREGON		
(FC)	APPLEGATE LAKE, OR	787,000	787,000
(FC)	BLUE RIVER LAKE, OR	276,000	276,000
(MP)	BONNEVILLE LOCK AND DAM, OR & WA	16,576,000	16,691,000
(N)	CHETCO RIVER, OR	284,000	500,000
(N)	COLUMBIA & LWR WILLAMETTE R BLW VANCOUVER, WA & PORTLA	11,332,000	11,332,000
(N)	COLUMBIA RIVER AT THE MOUTH, OR & WA	7,904,000	7,904,000
(N)	COLUMBIA RIVER BETWEEN VANCOUVER, WA AND THE DALLES, O	346,000	346,000
(N)	COOS BAY, OR	4,892,000	4,892,000
(N)	COQUILLE RIVER, OR	377,000	377,000
(FC)	COTTAGE GROVE LAKE, OR	708,000	708,000
(MP)	COUGAR LAKE, OR	1,157,000	1,157,000
(N)	DEPOE BAY, OR	33,000	33,000
(MP)	DETROIT LAKE, OR	2,200,000	2,200,000
(FC)	DORENA LAKE, OR	512,000	512,000
(FC)	FALL CREEK LAKE, OR	618,000	618,000
(FC)	FERN RIDGE LAKE, OR	955,000	955,000
(MP)	GREEN PETER - FOSTER LAKES, OR	2,545,000	2,545,000
(MP)	HILLS CREEK LAKE, OR	748,000	748,000
(FC)	INSPECTION OF COMPLETED WORKS, OR	179,000	179,000
(MP)	JOHN DAY LOCK AND DAM, OR & WA	12,886,000	12,886,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE
(MP)	LOOKOUT POINT LAKE, OR	3,991,000	3,991,000
(MP)	LOST CREEK LAKE, OR	4,030,000	4,030,000
(MP)	MCNARY LOCK AND DAM, OR & WA	12,333,000	12,483,000
(N)	PORT ORFORD, OR	484,000	484,000
(N)	PROJECT CONDITION SURVEYS, OR	135,000	135,000
(N)	ROGUE RIVER, OR	746,000	1,353,000
(FC)	SCHEDULING RESERVOIR OPERATIONS, OR	115,000	115,000
(N)	SIUSLAW RIVER, OR	965,000	965,000
(N)	SKIPANON CHANNEL, OR	5,000	5,000
(N)	SURVEILLANCE OF NORTHERN BOUNDARY WATERS, OR	7,000	7,000
(N)	TILLAMOOK BAY AND BAR, OR	13,000	13,000
(N)	UMPQUA RIVER, OR	1,321,000	1,321,000
(N)	WILLAMETTE RIVER AT WILLAMETTE FALLS, OR	606,000	606,000
(FC)	WILLAMETTE RIVER BANK PROTECTION, OR	61,000	61,000
	WILLAMETTE RIVER BASIN, OR	---	647,000
(FC)	WILLOW CREEK LAKE, OR	564,000	564,000
(N)	YAQUINA BAY AND HARBOR, OR	1,607,000	1,607,000
	PENNSYLVANIA		
(N)	ALLEGHENY RIVER, PA	6,700,000	12,700,000
(FC)	ALVIN R BUSH DAM, PA	622,000	622,000
(FC)	AYLESWORTH CREEK LAKE, PA	200,000	225,000
(FC)	BELTZVILLE LAKE, PA	1,046,000	1,046,000
(FC)	BLUE MARSH LAKE, PA	1,986,000	1,986,000
(FC)	CONEMAUGH RIVER LAKE, PA	3,127,000	3,127,000
(FC)	COWANESQUE LAKE, PA	1,679,000	1,679,000
(FC)	CROOKED CREEK LAKE, PA	1,452,000	1,452,000
(FC)	CURWENSVILLE LAKE, PA	677,000	804,000
(FC)	EAST BRANCH CLARION RIVER LAKE, PA	799,000	799,000
(N)	ERIE HARBOR, PA	635,000	635,000
(FC)	FOSTER JOSEPH SAYERS DAM, PA	728,000	728,000
(FC)	FRANCIS E WALTER DAM, PA	715,000	715,000
(FC)	GENERAL EDGAR JADWIN DAM AND RESERVOIR, PA	287,000	287,000
(FC)	INSPECTION OF COMPLETED WORKS, PA	205,000	205,000
(FC)	JOHNSTOWN, PA	1,109,000	1,109,000
(FC)	KINZUA DAM AND ALLEGHENY RESERVOIR, PA	1,400,000	1,400,000
(FC)	LOYALHANNA LAKE, PA	1,182,000	1,182,000
(FC)	MAHONING CREEK LAKE, PA	826,000	826,000
(N)	MONONGAHELA RIVER, PA	13,864,000	13,864,000
(N)	PROJECT CONDITION SURVEYS, PA	15,000	15,000
(FC)	PROMPTON LAKE, PA	438,000	438,000
(FC)	PUNXSUTAWNEY, PA	13,000	13,000
(FC)	RAYSTOWN LAKE, PA	2,520,000	4,690,000
(FC)	SCHEDULING RESERVOIR OPERATIONS, PA	53,000	53,000
(N)	SCHUYLKILL RIVER, PA	1,290,000	1,290,000
(FC)	SHENANGO RIVER LAKE, PA	1,916,000	1,916,000
(FC)	STILLWATER LAKE, PA	334,000	334,000
(N)	SURVEILLANCE OF NORTHERN BOUNDARY WATERS, PA	82,000	82,000
(FC)	TIOGA - HAMMOND LAKES, PA	1,775,000	2,155,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE
(FC)	TIONESTA LAKE, PA	1,293,000	1,293,000
(FC)	UNION CITY LAKE, PA	324,000	324,000
(FC)	WOODCOCK CREEK LAKE, PA	821,000	821,000
(FC)	YORK INDIAN ROCK DAM, PA	518,000	518,000
(FC)	YOUGHIOGHENY RIVER LAKE, PA & MD	1,663,000	1,663,000
	RHODE ISLAND		
(N)	BLOCK ISLAND HARBOR OF REFUGE, RI	342,000	342,000
(FC)	INSPECTION OF COMPLETED WORKS, RI	5,000	5,000
(N)	PROJECT CONDITION SURVEYS, RI	677,000	677,000
	SOUTH CAROLINA		
(N)	ATLANTIC INTRACOASTAL WATERWAY, SC	2,850,000	2,850,000
(N)	CHARLESTON HARBOR, SC	3,815,000	4,715,000
(N)	COOPER RIVER, CHARLESTON HARBOR, SC	3,372,000	3,562,000
(N)	FOLLY RIVER, SC	246,000	246,000
(N)	GEORGETOWN HARBOR, SC	3,165,000	3,665,000
(FC)	INSPECTION OF COMPLETED WORKS, SC	27,000	27,000
(N)	PORT ROYAL HARBOR, SC	981,000	981,000
(N)	PROJECT CONDITION SURVEYS, SC	20,000	20,000
(N)	SHIPYARD RIVER, SC	400,000	400,000
	TOWN CREEK, SC	---	360,000
	SOUTH DAKOTA		
(MP)	BIG BEND DAM - LAKE SHARPE, SD	5,759,000	5,759,000
(FC)	COLD BROOK LAKE, SD	325,000	325,000
(FC)	COTTONWOOD SPRINGS LAKE, SD	200,000	200,000
(MP)	FT RANDALL DAM - LAKE FRANCIS CASE, SD	7,863,000	7,863,000
(FC)	INSPECTION OF COMPLETED WORKS, SD	14,000	14,000
	JAMES RIVER, JAMESTWON & PIPESTEM RESERV., SD	---	100,000
(FC)	LAKE TRAVERSE, SD & MN	1,499,000	1,499,000
(MP)	OAHE DAM - LAKE OAHE, SD & ND	8,854,000	9,154,000
(FC)	SCHEDULING RESERVOIR OPERATIONS, SD	67,000	67,000
	TENNESSEE		
(MP)	CENTER HILL LAKE, TN	5,373,000	5,373,000
(MP)	CHEATHAM LOCK AND DAM, TN	4,832,000	4,832,000
(MP)	CORDELL HULL DAM AND RESERVOIR, TN	4,097,000	4,097,000
(MP)	DALE HOLLOW LAKE, TN	3,622,000	3,622,000
(FC)	INSPECTION OF COMPLETED WORKS, TN	133,000	133,000
(MP)	J PERCY PRIEST DAM AND RESERVOIR, TN	3,348,000	3,348,000
(MP)	OLD HICKORY LOCK AND DAM, TN	6,404,000	6,404,000
(N)	PROJECT CONDITION SURVEYS, TN	4,000	4,000
(N)	TENNESSEE RIVER, TN	10,266,000	10,266,000
(N)	WOLF RIVER HARBOR, TN	310,000	310,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE
	TEXAS		
(FC)	AQUILLA LAKE, TX	602,000	602,000
(FC)	ARKANSAS - RED RIVER BASINS CHLORIDE CONTROL - AREA VI	1,185,000	1,185,000
(N)	BARBOUR TERMINAL CHANNEL, TX	845,000	845,000
(FC)	BARDWELL LAKE, TX	1,301,000	1,301,000
(N)	BAYPORT SHIP CHANNEL, TX	1,170,000	1,170,000
(FC)	BELTON LAKE, TX	2,650,000	2,650,000
(FC)	BENBROOK LAKE, TX	1,660,000	1,660,000
(N)	BRAZOS ISLAND HARBOR, TX	1,050,000	1,050,000
(FC)	BUFFALO BAYOU AND TRIBUTARIES, TX	3,457,000	3,457,000
(FC)	CANYON LAKE, TX	2,052,000	2,052,000
(N)	CHANNEL TO PORT MANSFIELD, TX	155,000	155,000
(FC)	COOPER LAKE AND CHANNELS, TX	978,000	978,000
(N)	CORPUS CHRISTI SHIP CHANNEL, TX	1,885,000	1,885,000
	CORPUS CHRISTI SHIP CHANNEL (RINCON CANAL), TX	---	400,000
(MP)	DENISON DAM - LAKE TEXOMA, TX	4,681,000	4,681,000
(FC)	ESTELLINE SPRINGS EXPERIMENTAL PROJECT, TX	14,000	14,000
(FC)	FERRELLS BRIDGE DAM - LAKE O'THE PINES, TX	2,113,000	2,113,000
(N)	FREEPORT HARBOR, TX	4,350,000	4,350,000
(N)	GALVESTON HARBOR AND CHANNEL, TX	3,010,000	3,010,000
(N)	GIWW - CHANNEL TO VICTORIA, TX	1,940,000	1,940,000
(N)	GIWW - CHOCOLATE BAYOU, TX	1,160,000	1,160,000
(FC)	GRANGER DAM AND LAKE, TX	1,517,000	1,517,000
(FC)	GRAPEVINE LAKE, TX	1,804,000	1,804,000
(N)	GULF INTRACOASTAL WATERWAY, TX	17,072,000	17,072,000
(FC)	HORDS CREEK LAKE, TX	1,133,000	1,133,000
(N)	HOUSTON SHIP CHANNEL, TX	7,617,000	7,617,000
(FC)	INSPECTION OF COMPLETED WORKS, TX	296,000	296,000
(FC)	JOE POOL LAKE, TX	817,000	817,000
(FC)	LAKE KEMP, TX	235,000	235,000
(FC)	LAVON LAKE, TX	2,476,000	2,476,000
(FC)	LEWISVILLE DAM, TX	2,467,000	2,467,000
(N)	MATAGORDA SHIP CHANNEL, TX	3,460,000	3,460,000
(N)	MOUTH OF THE COLORADO RIVER, TX	1,900,000	1,900,000
(FC)	NAVARRO MILLS LAKE, TX	1,373,000	1,373,000
(FC)	NORTH SAN GABRIEL DAM AND LAKE GEORGETOWN, TX	1,650,000	1,650,000
(FC)	O C FISHER DAM AND LAKE, TX	1,287,000	1,287,000
(FC)	PAT MAYSE LAKE, TX	856,000	856,000
(FC)	PROCTOR LAKE, TX	2,197,000	2,197,000
(N)	PROJECT CONDITION SURVEYS, TX	85,000	85,000
(FC)	RAY ROBERTS LAKE, TX	768,000	768,000
(N)	SABINE - NECHES WATERWAY, TX	8,020,000	8,020,000
(MP)	SAM RAYBURN DAM AND RESERVOIR, TX	4,038,000	4,038,000
(FC)	SCHEDULING RESERVOIR OPERATIONS, TX	49,000	49,000
(FC)	SOMERVILLE LAKE, TX	2,367,000	2,367,000
(FC)	STILLHOUSE HOLLOW DAM, TX	1,514,000	1,514,000
(N)	TEXAS CITY SHIP CHANNEL, TX	770,000	770,000
(MP)	TOWN BLUFF DAM - B A STEINHAGEN LAKE, TX	1,469,000	1,469,000
(FC)	WACO LAKE, TX	2,031,000	2,031,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE
(FC)	WALLISVILLE LAKE, TX	488,000	488,000
(MP)	WHITNEY LAKE, TX	3,628,000	3,628,000
(FC)	WRIGHT PATMAN DAM AND LAKE, TX	2,446,000	2,446,000
	UTAH		
(FC)	INSPECTION OF COMPLETED WORKS, UT	58,000	58,000
(FC)	SCHEDULING RESERVOIR OPERATIONS, UT	452,000	452,000
	VERMONT		
(FC)	BALL MOUNTAIN LAKE, VT	606,000	606,000
	CONNECTICUT RIVER BASIN (MASTER PLAN), VT	---	200,000
(FC)	INSPECTION OF COMPLETED WORKS, VT	40,000	40,000
(N)	NARROWS OF LAKE CHAMPLAIN, VT & NY	556,000	556,000
(FC)	NORTH HARTLAND LAKE, VT	672,000	672,000
(FC)	NORTH SPRINGFIELD LAKE, VT	570,000	570,000
(FC)	TOWNSHEND LAKE, VT	602,000	602,000
(FC)	UNION VILLAGE DAM, VT	439,000	439,000
	VIRGINIA		
(N)	APPOMATTOX RIVER, VA	25,000	25,000
(N)	ATLANTIC INTRACOASTAL WATERWAY, VA	1,971,000	1,971,000
(N)	CHANNEL TO NEWPORT NEWS, VA	485,000	485,000
(N)	CHINCOTEAGUE INLET, VA	1,094,000	1,094,000
(FC)	GATHRIGHT DAM AND LAKE MOOMAW, VA	1,544,000	1,544,000
(N)	HAMPTON RDS, NORFOLK & NEWPORT NEWS HBR, VA (DRIFT REM	707,000	707,000
(FC)	INSPECTION OF COMPLETED WORKS, VA	69,000	69,000
(N)	JAMES RIVER CHANNEL, VA	3,635,000	5,000,000
(MP)	JOHN H KERR LAKE, VA & NC	7,906,000	7,906,000
(FC)	JOHN W FLANNAGAN DAM AND RESERVOIR, VA	1,192,000	1,192,000
	NEABSCO CREEK, VA	---	1,000,000
(N)	NORFOLK HARBOR (PREVENTION OF OBSTRUCTIVE DEPOSITS), V	280,000	280,000
(N)	NORFOLK HARBOR, VA	5,310,000	5,310,000
(FC)	NORTH FORK OF POUND RIVER LAKE, VA	301,000	301,000
	POTOMAC RIVER AT ALEXANDRIA, VA	---	174,000
	POTOMAC RIVER BELOW WASHINGTON, DC, VA	---	176,000
(MP)	PHILPOTT LAKE, VA	2,075,000	2,075,000
(N)	PROJECT CONDITION SURVEYS, VA	711,000	711,000
	RUDEE INLET, VA	---	535,000
(N)	THIMBLE SHOAL CHANNEL, VA	177,000	177,000
(N)	WATERWAY ON THE COAST OF VIRGINIA, VA	1,082,000	1,082,000
	WASHINGTON		
(N)	ANACORTES HARBOR, WA	240,000	240,000
(MP)	CHIEF JOSEPH DAM, WA	12,547,000	12,547,000
(N)	COLUMBIA RIVER AT BAKER BAY, WA & OR	10,000	10,000
(N)	COLUMBIA RIVER BETWEEN CHINOOK AND SAND ISLAND, WA	6,000	6,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE
(N)	EVERETT HARBOR AND SNOHOMISH RIVER, WA	1,202,000	1,202,000
(N)	GRAYS HARBOR AND CHEHALIS RIVER, WA	7,226,000	13,226,000
(FC)	HOWARD HANSON DAM, WA	1,271,000	1,271,000
(MP)	ICE HARBOR LOCK AND DAM, WA	8,090,000	8,090,000
(FC)	INSPECTION OF COMPLETED WORKS, WA	173,000	173,000
(N)	LAKE CROCKETT (KEYSTONE HARBOR), WA	352,000	352,000
(N)	LAKE WASHINGTON SHIP CANAL, WA	6,558,000	6,558,000
(MP)	LITTLE GOOSE LOCK AND DAM, WA	5,672,000	5,672,000
(MP)	LOWER GRANITE LOCK AND DAM, WA	7,684,000	7,684,000
(MP)	LOWER MONUMENTAL LOCK AND DAM, WA	5,461,000	5,461,000
(FC)	MILL CREEK LAKE, WA	762,000	762,000
(FC)	MT ST HELENS, WA	415,000	415,000
(FC)	MUD MOUNTAIN DAM, WA	1,953,000	1,953,000
(N)	PROJECT CONDITION SURVEYS, WA	294,000	294,000
(N)	PUGET SOUND AND TRIBUTARY WATERS, WA	1,050,000	1,050,000
(FC)	SCHEDULING RESERVOIR OPERATIONS, WA	492,000	492,000
(N)	SEATTLE HARBOR, WA	787,000	787,000
(FC)	STILLAGUAMISH RIVER, WA	186,000	186,000
(N)	SURVEILLANCE OF NORTHERN BOUNDARY WATERS, WA	61,000	61,000
(N)	SWINOMISH CHANNEL, WA	375,000	375,000
(FC)	TACOMA, PUYALLUP RIVER, WA	72,000	72,000
(MP)	THE DALLES LOCK AND DAM, WA & OR	10,744,000	10,744,000
(N)	WILLAPA RIVER AND HARBOR, WA	615,000	2,615,000
	WEST VIRGINIA		
(FC)	BEECH FORK LAKE, WV	1,018,000	1,018,000
(FC)	BLUESTONE LAKE, WV	1,253,000	1,828,000
(FC)	BURNSVILLE LAKE, WV	1,167,000	1,167,000
(FC)	EAST LYNN LAKE, WV	1,563,000	1,563,000
(N)	ELK RIVER HARBOR, WV	370,000	370,000
(FC)	ELKINS, WV	11,000	11,000
(FC)	INSPECTION OF COMPLETED WORKS, WV	93,000	93,000
(N)	KANAWHA RIVER LOCKS AND DAMS, WV	8,743,000	8,743,000
(FC)	R D BAILEY LAKE, WV	1,418,000	1,418,000
(FC)	STONEWALL JACKSON LAKE, WV	970,000	970,000
(FC)	SUMMERSVILLE LAKE, WV	1,612,000	1,612,000
(FC)	SUTTON LAKE, WV	1,611,000	1,611,000
(N)	TYGART LAKE, WV	1,243,000	1,243,000
	WISCONSIN		
(FC)	EAU GALLE RIVER LAKE, WI	910,000	910,000
(N)	FOX RIVER, WI	1,926,000	1,926,000
(N)	GREEN BAY HARBOR, WI	1,048,000	1,048,000
(N)	GREEN BAY HARBOR, WI (DIKE DISPOSAL)	3,613,000	3,613,000
(FC)	INSPECTION OF COMPLETED WORKS, WI	15,000	15,000
(N)	KEWAUNEE HARBOR, WI	188,000	188,000
(FC)	LA FARGE LAKE, WI	93,000	93,000
(N)	MANITOWOC HARBOR, WI	407,000	407,000

CORPS OF ENGINEERS - OPERATION AND MAINTENANCE

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATE	CONFERENCE
(N)	MILWAUKEE HARBOR, WI	1,779,000	1,779,000
(N)	PORT WASHINGTON HARBOR, WI	175,000	175,000
(N)	PORT WING HARBOR, WI	222,000	222,000
(N)	PROJECT CONDITION SURVEYS, WI	96,000	96,000
(N)	SHEBOYGAN HARBOR, WI	511,000	511,000
(N)	STURGEON BAY HARBOR & LAKE MICHIGAN SHIP CANAL, WI	324,000	324,000
(N)	SURVEILLANCE OF NORTHERN BOUNDARY WATERS, WI	475,000	475,000
(N)	TWO RIVERS HARBOR, WI	199,000	199,000
	WYOMING		
(FC)	JACKSON HOLE LEVEES, WY	553,000	553,000
(FC)	SCHEDULING RESERVOIR OPERATIONS, WY	315,000	315,000
	MISCELLANEOUS		
	COASTAL INLET RESEARCH PROGRAM	4,000,000	2,500,000
	CULTURAL RESOURCES (NAGPRA/CURATION)	2,000,000	1,500,000
	DREDGING DATA AND LOCK PERFORMANCE MONITORING SYSTEM	735,000	500,000
	DREDGING OPERATIONS AND ENVIRONMENTAL RESEARCH (DOER)	6,000,000	4,000,000
	DREDGING OPERATIONS TECHNICAL SUPPORT (DOTS) PROGRAM	1,700,000	1,500,000
	EARTHQUAKE HAZARDS PROGRAM FOR BUILDINGS AND LIFELINES	2,930,000	2,500,000
	GREAT LAKES SEDIMENT TRANSPORT MODELS	---	500,000
	HARBOR MAINTENANCE FEE DATA COLLECTION	600,000	600,000
	MONITORING OF COASTAL NAVIGATION PROJECTS	1,900,000	1,500,000
	NATIONAL DAM SAFETY PROGRAM	20,000	20,000
	NATIONAL EMERGENCY PREPAREDNESS PROGRAMS (NEPP)	5,500,000	5,500,000
	NATIONAL RESOURCES TECHNICAL SUPPORT (NRTS)	900,000	700,000
	PERFORMANCE BASED BUDGETING SUPPORT PROGRAM	415,000	415,000
	PROTECT, CLEAR AND STRAIGHTEN CHANNELS (SECTION 3)	50,000	1,000,000
	RELIABILITY MODELS PROGRAM FOR MAJOR REHABILITATION	675,000	500,000
	REMOVAL OF SUNKEN VESSELS	500,000	500,000
	REPAIR, EVALUATION, MAINT & REHAB RESEARCH (REMR II)	3,000,000	2,000,000
	WATER OPERATIONS TECHNICAL SUPPORT (WOTS) PROGRAM	850,000	650,000
	WATERBORNE COMMERCE STATISTICS	4,000,000	4,000,000
	REDUCTION FOR ANTICIPATED SAVINGS AND SLIPPAGE	-29,368,000	-32,253,000
	TOTAL, OPERATION AND MAINTENANCE	1,618,000,000	1,740,025,000

TITLE II

DEPARTMENT OF THE INTERIOR

CENTRAL UTAH PROJECT

CENTRAL UTAH PROJECT COMPLETION ACCOUNT

The conference agreement appropriates $41,153,000 to carry out the provisions of the Central Utah Project Completion Act as proposed by the House and the Senate.

BUREAU OF RECLAMATION

The summary tables at the end of this title set forth the conference agreement with respect to the individual appropriations, programs, and activities of the Bureau of Reclamation. Additional items of conference agreement are discussed below.

WATER AND RELATED RESOURCES

The conference agreement appropriates $694,348,000 for Water and Related Resources instead of $651,931,000 as proposed by the House and $688,379,000 as proposed by the Senate.

The conference agreement includes $56,442,000 for the Central Arizona Project, $4,796,000 below the budget request. The conferees direct that $3,245,000 of the reduction be derived from native fish protection activities. The remainder of the reduction should be derived from noncontract costs.

The conference agreement includes $4,700,000 for the Applied Science and Technology Development program. Within the amount provided, $1,000,000 is for completion of the in-situ copper mining research project. In addition, $300,000 has been provided for Bureau of Reclamation oversight of that program and for related technology transfer activities.

The conference agreement includes an additional $1,500,000 for the completion of design and initiation of construction of the fish screen at the Contra Costa Canal intake at Rock Slough in California.

The conference agreement includes an additional $3,000,000 for the Anadromous Fish Screen Program. Within funds available to the Anadromous Fish Screen Program, including funds appropriated in fiscal year 1997, the conferees direct the Bureau of Reclamation to fund the following fish screen projects at the levels indicated below: Reclamation District 108, $5,000,000; Reclamation District 1004, $2,625,000; and Princeton-Glenn-Codora and Provident Irrigation Districts, $2,500,000.

The conference agreement includes $6,000,000 for the Animas-La Plata project as proposed by the Senate. The conferees continue to support the Animas-La Plata project in Colorado and New Mexico, which is necessary to satisfy the requirements of the Colorado Ute Indian Water Rights Settlement Act of 1988. Controversy has delayed the construction of the project by the Bureau of Reclamation despite the commitments made in the Settlement Act and a subsequent directive by the Congress that those portions of the project which were approved under the Endangered Species Act should be constructed without delay. In the last year, the Governor of Colorado and the Secretary of the Interior have convened the project supporters and opponents in a process intended to seek resolution of the controversy. The Colorado process calls for a project proposal from parties to the settlement as well as one from those who oppose the project as presently contemplated. The conferees direct that funds previously appropriated for the project and still available are to be used for the project and advancement of a modified project from the process which meets the original intent of the Settlement to provide a new supply of water to meet the present and future needs of the Ute Tribes and the surrounding region. In the event such a project is advanced, the Department of the Interior and other Federal agencies are directed to utilize to the fullest extent the existing environmental compliance documents.

The conferees direct the Bureau of Reclamation to notify the Committees on Appropriations of the House and the Senate before reprogramming any funds from the Equus Beds Groundwater Recharge Demonstration Project in Kansas. The conferees understand that the project is being cost shared on a 50–50 basis.

The conference agreement includes $300,000 for the Bureau of Reclamation to work with local interests to identify the most effective voluntary water conservation practices applicable to the Walker River Basin in Nevada, and to quantify the contribution that voluntary conservation can make to solving the water resources problems in Walker Lake and the basin as a whole.

The conference agreement includes $400,000 for NEPA compliance and design activities associated with the Rio Grande Conveyance/Pipeline project in New Mexico and Texas.

The conferees are concerned with the impacts on recreation and resident fish populations resulting from the operating regimes at Hungry Horse and Grand Coulee Dams. The Northwest Power Planning Council has developed a regionally approved plan, known as the Columbia River Basin Fish and Wildlife Program, and the Secretary of the Interior, acting through the Bureau of Reclamation, should consider the Council's program and operate the projects in a manner consistent with the program.

The conferees direct that of the $500,000 provided for facility operation and maintenance on the Newlands Project in Nevada, that $300,000 shall be applied to the costs of supplying water to the Stillwater National Wildlife Refuge and to recovery of endangered fish in accordance with the Truckee-Carson Pyramid Lake Water Rights Settlement Act, Public Law 101–618, and the Truckee River Water Quality Agreement. Further, $200,000 shall be used to assist the town of Fernley, Nevada, and the Pyramid Lake Tribe, on behalf of the town of Wadsworth in evaluating the joint municipal water source and delivery system, a wastewater conveyance source, and wastewater reclamation for the Fernley Wildlife Management Area.

The conference agreement includes $5,759,000 for the Wetland Development Program. Within the amount recommended, the conferees have included $1,450,000 under fish and wildlife management and development for the Bureau of Reclamation to undertake Central Arizona Project fish and wildlife activities.

The conferees are in agreement with the language in the House report regarding operation and maintenance (O&M) costs, deficits, and budget development. With regard to water rate-setting policies, the conferees urge the Bureau of Reclamation to review and, where necessary, consider modification to these policies to ensure that current O&M water rates revenues are applied against O&M expenses with any deficiency resulting in an O&M deficit to the water contractor.

The conference agreement includes language proposed by the House regarding the Coolidge Dam, San Carlos Irrigation project in Arizona.

The conference agreement includes language proposed by the Senate providing $500,000 for the installation of drains in the Pena Blanca area of New Mexico to prevent seepage from Cochiti Dam.

The conference agreement includes language proposed by the Senate providing that funds available for expenditure for the Departmental Irrigation Drainage Program may be expended for site remediation on a non-reimbursable basis.

The conference agreement includes language proposed by the Senate to increase the authorized level of appropriations for the municipal, rural, and industrial water systems for the Fort Berthold, Standing Rock, and Spirit Lake Nation in order to allow activities to continue. The Senate language has been amended to make technical corrections.

The conference agreement deletes language proposed by the Senate providing $80,000 to complete the feasibility study of alternatives for meeting the drinking water needs on the Cheyenne River Sioux Reservation and surrounding communities in South Dakota. Funding for this project is included in the amount appropriated for Water and Related Resources.

The conference agreement includes language proposed by the Senate providing that the Secretary of the Interior may use $2,500,000 for the McCall Area Wastewater Reclamation and Reuse project in Idaho.

The conference agreement deletes language proposed by the Senate providing $300,000 for planning studies and other activities for the Ute Reservoir Pipeline (Quay County portion) in New Mexico. Funding for this project is included in the amount appropriated for Water and Related Resources.

The conference agreement deletes language proposed by the Senate providing $185,000 for a feasibility study of alternatives for the Crow Creek Rural Water Supply System to meet the drinking water needs on the Crow Creek Sioux Indian Reservation in South Dakota. Funding for this project is included in the amount appropriated for water and related resources.

BUREAU OF RECLAMATION LOAN PROGRAM ACCOUNT

The conference agreement appropriates $10,425,000 for the Bureau of Reclamation Loan Program Account as proposed by the House and Senate.

CENTRAL VALLEY PROJECT RESTORATION FUND

The conference agreement appropriates $33,130,000 for the Central Valley Project Restoration Fund as proposed by the Senate instead of $39,130,000 as proposed by the House.

The conference agreement includes language which provides that the Secretary of the Interior shall levy additional mitigation and restoration payments totaling no more than $25,130,000 (October 1992 price levels) on a three-year rolling average basis, as authorized by Section 3407(d) of Public Law 102–575.

CALIFORNIA BAY-DELTA ECOSYSTEM RESTORATION

The conference agreement appropriates $85,000,000 for the California Bay-Delta Ecosystem Restoration program instead of $120,000,000 as proposed by the House and $50,000,000 as proposed by the Senate.

POLICY AND ADMINISTRATION

The conference agreement appropriates $47,558,000 for Policy and Administration as proposed by the Senate instead of $47,658,000 as proposed by the House.

SPECIAL FUNDS

The conference agreement deletes language proposed by the Senate regarding the Reclamation Fund and the special fund in the Treasury created by the Act of December 22, 1987. The Bureau of Reclamation has advised the conferees that this language is not required.

BUREAU OF RECLAMATION

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES RESOURCES MGMT & DEVELOPMENT	BUDGET ESTIMATES FACILITIES OM&R	CONFERENCE ALLOWANCE RESOURCES MGMT & DEVELOPMENT	CONFERENCE ALLOWANCE FACILITIES OM&R
	WATER AND RELATED RESOURCES				
	ARIZONA				
	CENTRAL ARIZONA PROJECT (LCRBDF)	61,242,000	---	56,442,000	---
	COLORADO RIVER BASIN SALINITY CONTROL, TITLE I	3,078,000	6,500,000	3,078,000	6,500,000
	COLORADO RIVER FRONT WORK & LEVEE SYSTEM	4,200,000	---	4,200,000	---
	INDIAN WATER RIGHTS SETTLEMENT PROJECT	---	8,317,000	---	8,317,000
	SALT RIVER PROJECT, HORSE MESA DAM	---	1,200,000	---	1,200,000
	SOUTHERN ARIZONA REGIONAL WATER MANAGEMENT STUDY	200,000	---	200,000	---
	SOUTHERN ARIZONA WATER RIGHTS SETTLEMENT ACT	6,693,000	---	6,693,000	---
	TRES RIOS WETLANDS DEMONSTRATION	1,000,000	---	1,000,000	---
	TUCSON AREA WATER RECLAMATION STUDY	---	---	250,000	---
	VERDE RIVER BASIN MANAGEMENT STUDY	200,000	---	200,000	---
	WEST SALT RIVER VALLEY WATER MANAGEMENT STUDY	75,000	---	200,000	---
	YUMA AREA PROJECTS	1,670,000	11,868,000	1,670,000	13,368,000
	CALIFORNIA				
	BRACKISH WATER RECLAMATION DEMONSTRATION FACILITY	---	---	2,000,000	---
	CACHUMA PROJECT	565,000	8,881,000	565,000	8,881,000
	CENTRAL VALLEY PROJECT:				
	AMERICAN RIVER DIVISION	2,219,000	16,204,000	10,819,000	16,204,000
	CENTRAL VALLEY PROJECT IMPROVEMENT ACT	4,362,000	---	4,362,000	---
	DELTA DIVISION	13,368,000	4,682,000	14,868,000	4,682,000
	EAST SIDE DIVISION	199,000	3,190,000	199,000	3,190,000
	FRIANT DIVISION	3,426,000	5,406,000	3,426,000	5,406,000
	MISCELLANEOUS PROJECT PROGRAMS	16,632,000	2,504,000	19,632,000	2,504,000
	SACRAMENTO RIVER DIVISION	7,685,000	1,186,000	8,685,000	1,186,000
	SAN FELIPE DIVISION	1,345,000	---	1,345,000	---
	SAN JOAQUIN DIVISION	6,955,000	---	6,955,000	---
	SHASTA DIVISION	6,619,000	4,929,000	6,619,000	4,929,000
	TRINITY RIVER DIVISION	5,643,000	4,220,000	5,643,000	4,220,000
	WATER AND POWER OPERATIONS	445,000	4,981,000	445,000	4,981,000
	WEST SAN JOAQUIN DIVISION, SAN LUIS UNIT	2,839,000	9,833,000	2,839,000	12,833,000
	DEL NORTE & CRESCENT CITY WASTEWATER RECLAMATION STUDY	---	---	550,000	---
	IMPERIAL VALLEY WATER RECLAMATION STUDY	75,000	---	75,000	---
	LOS ANGELES AREA WATER RECLAMATION AND REUSE	10,000,000	---	10,000,000	---
	LOWER OWENS RIVER ENVIRONMENTAL STUDY	100,000	---	100,000	---
	MAMMOTH LAKES WATER OPTIMIZATION STUDY	80,000	---	80,000	---
	NEW MELONES WATER MANAGEMENT STUDY	---	---	100,000	---
	ORLAND PROJECT	431,000	45,000	431,000	45,000
	SACRAMENTO COUNTY WATER RECLAMATION AND REUSE STUDY	---	---	500,000	---
	SALTON SEA RESEARCH PROJECT	400,000	---	400,000	---
	SAN DIEGO AREA WATER RECLAMATION PROGRAM	13,000,000	---	13,000,000	---
	SAN FRANCISCO AREA WATER RECLAMATION STUDY	375,000	---	375,000	---
	SAN GABRIEL BASIN PROJECT	5,235,000	---	5,235,000	---
	SAN JOSE AREA WATER RECLAMATION AND REUSE	3,000,000	---	3,000,000	---
	SOLANO PROJECT	1,624,000	208,000	1,624,000	208,000
	SOUTHERN CALIFORNIA COASTAL WATER SUPPLY STUDY	350,000	---	350,000	---

BUREAU OF RECLAMATION

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES RESOURCES MGMT & DEVELOPMENT	BUDGET ESTIMATES FACILITIES OM&R	CONFERENCE ALLOWANCE RESOURCES MGMT & DEVELOPMENT	CONFERENCE ALLOWANCE FACILITIES OM&R
	SO. CALIF. COMPREHENSIVE WATER RECLAMATION STUDY.....	769,000	---	769,000	---
	COLORADO				
	ANIMAS-LAPLATA PROJECT, SECT. 5 & 8.....	6,000,000	---	6,000,000	---
	BOSTWICK PARK PROJECT.....	40,000	36,000	40,000	36,000
	COLLBRAN PROJECT.....	72,000	716,000	72,000	716,000
	COLORADO-BIG THOMPSON PROJECT.....	115,000	6,539,000	115,000	6,539,000
	DALLAS CREEK PROJECT.....	18,000	134,000	18,000	134,000
	DOLORES PROJECT.....	10,592,000	433,000	10,592,000	433,000
	FRYINGPAN-ARKANSAS PROJECT.....	46,000	3,864,000	46,000	3,864,000
	GRAND VALLEY UNIT, CRBSCP.....	4,456,000	635,000	4,456,000	635,000
	LEADVILLE / ARKANSAS RIVER RECOVERY PROJECT.....	770,000	798,000	770,000	798,000
	LOWER GUNNISON BASIN UNIT, CRBSCP.....	---	444,000	---	444,000
	MESA COUNTY WATER CONSERVATION STUDY.....	90,000	---	90,000	---
	PARADOX UNIT, CRBSCP.....	---	2,782,000	---	2,782,000
	SAN LUIS VALLEY PROJECT, CLOSED BASIN / CONEJOS.....	70,000	3,052,000	70,000	3,052,000
	UPPER COLORADO AREA PROJECTS.....	103,000	57,000	103,000	57,000
	IDAHO				
	BOISE AREA PROJECTS.....	2,577,000	2,421,000	2,577,000	2,421,000
	COLUMBIA-SNAKE RIVER SALMON RECOVERY PROJECT.....	13,062,000	---	13,062,000	---
	IDAHO RIVER SYSTEMS MANAGEMENT STUDY.....	300,000	---	300,000	---
	MCCALL AREA WASTEWATER RECLAMATION AND REUSE.....	---	---	2,500,000	---
	MINIDOKA AREA PROJECTS.....	3,728,000	1,742,000	3,728,000	1,742,000
	MINIDOKA NORTHSIDE DRAINWATER PROJECT.....	300,000	---	300,000	---
	UPPER SALMON RIVER WATER OPTIMIZATION STUDY.....	175,000	---	175,000	---
	KANSAS				
	CHENEY RESERVOIR WATER QUALITY STUDY.....	131,000	---	131,000	---
	CHEYENNE BOTTOMS WILDLIFE AREA STUDY.....	101,000	---	101,000	---
	EQUUS BEDS GROUNDWATER RECHARGE DEMONSTRATION PROJECT.	---	---	667,000	---
	WICHITA PROJECT.....	122,000	68,000	122,000	68,000

BUREAU OF RECLAMATION

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES RESOURCES MGMT & DEVELOPMENT	BUDGET ESTIMATES FACILITIES OM&R	CONFERENCE ALLOWANCE RESOURCES MGMT & DEVELOPMENT	CONFERENCE ALLOWANCE FACILITIES OM&R
	MONTANA				
	COLD CLIMATE WASTEWATER TREATMENT	37,000	---	37,000	---
	FORT PECK INDIAN RESERVATION	---	---	240,000	---
	FORT PECK RURAL WATER SUPPLY SYSTEM	---	---	300,000	---
	HUNGRY HORSE PROJECT	---	408,000	---	408,000
	JEFFERSON RIVER BASIN RETURN FLOW STUDY	86,000	---	86,000	---
	MILK RIVER PROJECT	53,000	706,000	53,000	706,000
	MONTANA RIVER SYSTEMS STUDY	180,000	---	180,000	---
	PALLID STURGEON RECOVERY DECISION	65,000	---	65,000	---
	WESTERN MONTANA WATER CONSERVATION STUDY	50,000	---	50,000	---
	YELLOWSTONE RIVER BASIN STUDY	75,000	---	75,000	---
	NEBRASKA				
	NEBRASKA RAINWATER BASIN ASSESSMENT	133,000	---	133,000	---
	NEBRASKA WATER SUPPLY ASSESSMENT	88,000	---	88,000	---
	NEVADA				
	LAS VEGAS SHALLOW AQUIFER DESALINATION DEMO	---	---	3,750,000	---
	NEWLANDS PROJECT	3,750,000	---	3,750,000	500,000
	WALKER RIVER BASIN	---	---	300,000	---
	WASHOE PROJECT	866,000	461,000	866,000	461,000
	NEW MEXICO				
	ALBUQUERQUE WASTEWATER RECYCLING	---	---	5,000,000	---
	BRANTLEY PROJECT	1,200,000	---	1,200,000	---
	CARLSBAD PROJECT	1,059,000	437,000	1,059,000	437,000
	MIDDLE RIO GRANDE PROJECT	1,830,000	8,932,000	1,830,000	9,432,000
	MIDDLE RIO GRANDE WATER CONVEYANCE MANAGEMENT PLAN	80,000	---	80,000	---
	PECOS RIVER BASIN WATER SALVAGE PROJECT	---	129,000	---	129,000
	RIO GRANDE CONVEYANCE CANAL/PIPELINE	---	---	400,000	---
	RIO GRANDE PROJECT	537,000	2,475,000	537,000	2,475,000
	RIO GRANDE RIPARIAN TREE SPECIES CONSUMPTIVE USE	75,000	---	75,000	---
	SAN JUAN-CHAMA PROJECT	70,000	153,000	70,000	153,000
	SAN JUAN GALLUP-NAVAJO PIPELINE	---	---	450,000	---
	SANTE FE WATER REUSE	---	---	500,000	---
	UTE RESERVOIR PIPELINE	---	---	300,000	---
	VELARDE COMMUNITY DITCH PROJECT	---	1,000,000	---	1,000,000
	NORTH DAKOTA				
	FREEZE/THAW DESALINATION DEMONSTRATION PROJECT	360,000	---	360,000	---
	GARRISON DIVERSION UNIT, P-SMBP	17,025,000	6,350,000	22,525,000	6,350,000

BUREAU OF RECLAMATION

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES RESOURCES MGMT & DEVELOPMENT	BUDGET ESTIMATES FACILITIES OM&R	CONFERENCE ALLOWANCE RESOURCES MGMT & DEVELOPMENT	CONFERENCE ALLOWANCE FACILITIES OM&R
	OKLAHOMA				
	ARBUCKLE PROJECT	39,000	55,000	39,000	55,000
	LUGERT-ALTUS WATER RESOURCE MANAGEMENT OPTIONS	100,000	---	100,000	---
	MCGEE CREEK PROJECT	162,000	383,000	162,000	383,000
	MOUNTAIN PARK PROJECT	79,000	44,000	79,000	44,000
	NORMAN PROJECT	104,000	12,000	104,000	12,000
	OKLAHOMA WATER SUPPLY STUDY	135,000	---	135,000	---
	WASHITA BASIN PROJECT	143,000	172,000	143,000	172,000
	W.C. AUSTIN PROJECT	70,000	85,000	70,000	85,000
	OREGON				
	CENTRAL OREGON IRRIG. SYSTEM CONSERVATION FEASIBILITY	225,000	---	225,000	---
	CROOKED RIVER PROJECT	116,000	400,000	116,000	400,000
	DESCHUTES PROJECT	89,000	146,000	89,000	146,000
	GRANDE RONDE WATER OPTIMIZATION STUDY	50,000	---	50,000	---
	KLAMATH PROJECT	2,405,000	370,000	2,405,000	370,000
	OREGON STREAM RESTORATION PLANNING STUDY	75,000	---	75,000	---
	OREGON SUBBASIN CONSERVATION PLANNING STUDY	175,000	---	175,000	---
	ROGUE RIVER BASIN PROJECT, TALENT DIVISION	87,000	682,000	87,000	682,000
	SOUTHERN OREGON COASTAL RIVER BASINS STUDY	175,000	---	175,000	---
	TUALATIN PROJECT	13,000	111,000	13,000	111,000
	UMATILLA PROJECT	7,849,000	1,505,000	7,849,000	1,505,000
	SOUTH DAKOTA				
	BELLE FOURCHE, P-SMBP	---	2,520,000	---	2,520,000
	BLACK HILLS REGIONAL WATER STUDY	100,000	---	100,000	---
	CHEYENNE RIVER SIOUX RESERVATION	---	---	80,000	---
	CROW CREEK RURAL WATER SUPPLY SYSTEM	---	---	185,000	---
	MID-DAKOTA RURAL WATER PROJECT	10,000,000	---	13,000,000	---
	MISSOURI RIVER BASIN TRIBES WATER MANAGEMENT PLAN	208,000	---	208,000	---
	MNI WICONI PROJECT	20,976,000	3,349,000	27,976,000	3,349,000
	RAPID CITY WASTEWATER REUSE STUDY	75,000	---	75,000	---

BUREAU OF RECLAMATION

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES RESOURCES MGMT & DEVELOPMENT	BUDGET ESTIMATES FACILITIES OM&R	CONFERENCE ALLOWANCE RESOURCES MGMT & DEVELOPMENT	CONFERENCE ALLOWANCE FACILITIES OM&R
	TEXAS				
	CANADIAN RIVER PROJECT	25,000	55,000	25,000	55,000
	COLORADO RIVER PROJECT	2,000	7,000	2,000	7,000
	NUECES RIVER PROJECT	127,000	195,000	127,000	195,000
	NORTHWEST WASTEWATER REUSE PROJECT	---	---	1,000,000	---
	PALMETTO BEND PROJECT	169,000	314,000	169,000	314,000
	RINCON BAYOU - NUECES MARSH RESTORATION STUDY	150,000	---	150,000	---
	RIO GRANDE PROJECT DRAINS WATER QUALITY STUDY	95,000	---	95,000	---
	RIO GRANDE/RIO BRAVO INTERNATIONAL BASIN ASSESSMNT	150,000	---	150,000	---
	SAN ANGELO PROJECT	100,000	20,479,000	100,000	20,479,000
	SAN ANTONIO WATER RECYCLING PROGRAM	---	---	200,000	---
	UTAH				
	ASHLEY/BRUSH CREEKS OPTIMIZATION STUDY	130,000	---	130,000	---
	CARBON/EMERY COUNTIES WATER MANAGEMENT PLAN	130,000	---	130,000	---
	CENTRAL UTAH PROJECT, BONNEVILLE/JENSEN	3,921,000	44,000	3,921,000	44,000
	OGDEN RIVER BASIN WATER QUALITY MANAGEMENT STUDY	125,000	---	125,000	---
	PROVO RIVER PROJECT	235,000	217,000	235,000	217,000
	TOOELE WASTEWATER TREATMENT & REUSE	---	---	500,000	---
	WEBER BASIN PROJECT	373,000	1,538,000	373,000	1,538,000
	WASHINGTON				
	COLUMBIA BASIN PROJECT	4,239,000	6,099,000	4,239,000	6,099,000
	WASHINGTON RIVER BASIN PLANNING	175,000	---	175,000	---
	YAKIMA PROJECT	8,980,000	8,839,000	9,980,000	8,839,000
	WYOMING				
	KENDRICK PROJECT	107,000	2,547,000	107,000	2,547,000
	NORTH PLATTE PROJECT	93,000	1,137,000	93,000	1,137,000
	SHOSHONE PROJECT	80,000	1,152,000	80,000	1,152,000

BUREAU OF RECLAMATION

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES RESOURCES MGMT & DEVELOPMENT	BUDGET ESTIMATES FACILITIES OM&R	CONFERENCE ALLOWANCE RESOURCES MGMT & DEVELOPMENT	CONFERENCE ALLOWANCE FACILITIES OM&R
	VARIOUS				
	COLORADO RIVER BASIN SALINITY CONTROL, T. II BASINWIDE	7,600,000	---	7,600,000	---
	COLORADO RIVER STORAGE, SECT. 8, REC, FISH & WILDLIFE.	2,284,000	---	2,284,000	---
	COLORADO RIVER WATER QUALITY IMPROVEMENT.....	310,000	---	310,000	---
	DEPARTMENT IRRIGATION DRAINAGE PROGRAM.....	3,553,000	---	3,109,000	---
	EFFICIENCY INCENTIVES PROGRAM.....	5,250,000	---	3,000,000	---
	ENDANGERED SPECIES RECOVERY IMPLEMENTATION	14,257,000	---	14,257,000	---
	ENVIRONMENTAL PROGRAM ADMINISTRATION.....	1,990,000	---	1,990,000	---
	ENVIRONMENTAL/INTERAGENCY COORDINATION ACTIVITIES.....	1,665,000	---	1,338,000	---
	EXAMINATION OF EXISTING STRUCTURES.....	---	2,142,000	---	2,142,000
	GENERAL PLANNING STUDIES.....	1,730,000	---	1,730,000	---
	INVESTIGATION OF EXISTING PROJECTS.....	500,000	---	500,000	---
	LAND RESOURCES MANAGEMENT PROGRAM.....	7,602,000	---	7,602,000	---
	MINOR WORK ON COMPLETED INVESTIGATIONS.....	90,000	---	90,000	---
	MISCELLANEOUS FLOOD CONTROL OPERATIONS.....	105,000	766,000	105,000	766,000
	NATIONAL FISH & WILDLIFE FOUNDATION.....	1,500,000	---	1,500,000	---
	NATIVE AMERICAN AFFAIRS.....	8,459,000	---	8,000,000	---
	NEGOTIATION AND ADMINISTRATION OF WATER MARKETING.....	662,000	---	662,000	---
	OPERATION AND MAINTENANCE PROGRAM MANAGEMENT.....	107,000	215,000	107,000	215,000
	PICK-SLOAN MISSOURI BASIN - OTHER PROJECTS.....	3,648,000	16,376,000	3,648,000	16,376,000
	POWER PROGRAM SERVICES.....	622,000	1,050,000	622,000	1,050,000
	PUBLIC ACCESS AND SAFETY PROGRAM.....	394,000	66,000	394,000	66,000
	RECLAMATION LAW ADMINISTRATION.....	4,996,000	---	4,800,000	---
	RECLAMATION RECREATION MANAGEMENT - TITLE 28.....	4,288,000	---	3,000,000	---
	RECREATION AND FISH & WILDLIFE PROGRAM ADMINISTRATION.	4,922,000	---	3,261,000	---
	SAFETY OF DAMS:				
	DEPARTMENT DAM SAFETY PROGRAM.....	---	1,200,000	---	1,200,000
	SAFETY OF DAMS EVALUATION & MODIFICATION.....	---	42,433,000	---	42,433,000
	SCIENCE AND TECHNOLOGY:				
	APPLIED SCIENCE AND TECHNOLOGY DEVELOPMENT.....	3,850,000	---	4,700,000	---
	DESALINATION RESEARCH DEV PROGRAM.....	2,000,000	---	3,700,000	---
	GROUNDWATER RECHARGE.....	199,000	---	199,000	---
	IMPROVED RIVER BASIN MANAGEMENT CONTROL.....	400,000	---	---	---
	TECHNOLOGY ADVANCEMENT.....	400,000	---	300,000	---
	WATERSHED / RIVER SYSTEMS MANAGEMENT	1,000,000	---	1,000,000	---
	SITE SECURITY	---	5,000,000	---	5,000,000
	SOIL AND MOISTURE CONSERVATION.....	239,000	---	239,000	---
	TECHNICAL ASSISTANCE TO STATES.....	1,700,000	---	1,500,000	---
	WATER MANAGEMENT CONSERVATION PROGRAM.....	9,801,000	---	9,235,000	---
	WETLANDS DEVELOPMENT.....	6,309,000	---	5,759,000	---
	UNDISTRIBUTED REDUCTION BASED ON ANTICIPATED DELAYS...	---	-30,953,000	---	-33,463,000
	TOTAL, WATER AND RELATED RESOURCES.....	421,874,000	229,678,000	461,680,000	232,668,000

BUREAU OF RECLAMATION

TYPE OF PROJECT	PROJECT TITLE	BUDGET ESTIMATES RESOURCES MGMT & DEVELOPMENT	BUDGET ESTIMATES FACILITIES OM&R	CONFERENCE ALLOWANCE RESOURCES MGMT & DEVELOPMENT	CONFERENCE ALLOWANCE FACILITIES OM&R
	LOAN PROGRAM				
	CALIFORNIA				
	CASTROVILLE IRRIGATION WATER	2,100,000	---	2,100,000	---
	CHINO BASIN DESALINATION	1,718,000	---	1,718,000	---
	SALINAS VALLEY	1,300,000	---	1,300,000	---
	SAN SEVAINE PROJECT	976,000	---	976,000	---
	TEMESCAL VALLEY PROJECT	651,000	---	651,000	---
	OREGON				
	MILLTOWN HILL, DOUGLAS COUNTY	3,255,000	---	3,255,000	---
	VARIOUS				
	LOAN ADMINISTRATION	425,000	---	425,000	---
	TOTAL, LOAN PROGRAM	10,425,000	---	10,425,000	---

TITLE III

DEPARTMENT OF ENERGY

The summary tables at the end of this title set forth the conference agreement with respect to the individual appropriations, programs, and activities of the Department of Energy. Additional items of conference agreements are discussed below.

REPROGRAMMINGS

The conference agreement does not provide the Department of Energy with any internal reprogramming flexibility in fiscal year 1998 unless specifically identified in the House, Senate, or conference reports. Any reallocation of new or prior year budget authority or prior year deobligations must be submitted to the House and Senate Committees on Appropriations in advance in writing and may not be implemented prior to approval by the Committees.

EXTERNAL REGULATION OF DEPARTMENT OF ENERGY FACILITIES

The conference agreement directs that all new nuclear facilities for which construction starts in the year 2000 or beyond are to be constructed in accordance with Nuclear Regulatory Commission (NRC) licensing standards. The Department is directed to consult with the House and Senate Committees on Appropriations should implementation of this policy pose critical national security concerns with respect to any particular nuclear facility.

SUPPORT SERVICE CONTRACTS

The conferees agree with the House report language which directs the Department to prepare a report on the use of support service contractors and the use of management and operating contractor and subcontractor employees detailed to Headquarters. This report is due on January 30, 1998. The Department should consult with the House and Senate Committees on Appropriations on the level of detail required in this report.

The conferees continue to be concerned about the Department's inappropriate use of support service contractors. The Department continues to pay contractors to perform day to day functions that should be performed by Federal employees. There is a clear distinction between administrative support and technical assistance. Support service contractors can play an important and cost-effective role in supplying special technical expertise unavailable within the Department. However, the conferees believe there has been a distinct lack of responsible management of these contractors. Therefore, the Department is directed to develop a plan to provide more effective management of support service contractors without increasing the number of Federal employees. This plan is to be submitted to Congress at the time of the fiscal year 1999 budget submission. The Department is directed to reduce the number of support service contractors providing administrative support and performing inherently governmental functions. Remaining support service contractors should include only those providing specific technical assistance with a well-defined product or service as the deliverable and an established completion date for the product or service. These technical assistance contracts must meet the Congressional intent of full and open competition, fixed price contracts, and performance-based management.

GENERAL REDUCTIONS NECESSARY TO ACCOMMODATE SPECIFIC PROGRAM DIRECTIONS

In the event that specific program guidance contained in the House, Senate, or conference reports requires a general reduction of available funding, such reductions shall not be applied disproportionately against any program, project, or activity.

ENERGY SUPPLY

The conference agreement includes $906,807,000, instead of $880,730,000 as proposed by the House and $966,940,000 as proposed by the Senate. The conference agreement does not include bill language extending the availability of funds in this account beyond fiscal year 1998.

SOLAR AND RENEWABLE ENERGY

The conference agreement includes $346,266,000, which includes $301,962,000 for the Office of Energy Efficiency and Renewable Energy and $44,304,000 representing research done by the Office of Energy Research. This action follows the direction provided by the House to put research back into research and development. The Office of Energy Efficiency and Renewable Energy and the Office of Energy Research are directed to work together to ensure that the Department's solar and renewable research and development budget reflects the cooperation of the two Offices. The Department is directed to submit its fiscal year 1999 solar and renewable energy budget comprehensively, as it is displayed in the table in this conference report.

Photovoltaic energy systems.—From the amount provided, $1,500,000 shall be directed to university research to increase university participation in this program and to fund the acquisition of photovoltaic test equipment at the participating institutions. Furthermore, while developing its FY 1999 budget request, the Department is encouraged to consider the funding needs of university photovoltaic programs.

Solar thermal energy systems.—The conference agreement does not include the Senate prohibition on funding to deploy additional dish/engine systems.

Biomass/biofuels.—The conference agreement includes $98,385,000, which includes $38,635,000 for research done by the Officer of Energy Research. The conferees direct that the funds be allocated in the following manner: Within "Power systems"—$1,500,000 for thermal conversion, $23,000,000 for system development, $3,000,000 for biomass cogeneration, and $750,000 for the Gridley rice straw project; and, within "Biofuels"—$27,000,000 for ethanol production, including $4,000,000 for the biomass ethanol plant in Jennings, Louisiana, and $2,500,000 for the Consortium for Plant Biotechnology Research. The Department is directed to provide $3,500,000 for feedstock development and $2,000,000 for the regional biomass program each to be equally derived from the power systems and biofuels programs.

Wind.—The conference agreement does not include the House prohibition on funding for incremental product improvement partnerships with manufacturers.

International solar energy.—The conference agreement includes $1,375,000, an increase of $625,000 over the amount provided by the House. The conferees direct that the funding be provided for the U.S. initiative on joint implementation as provided in the Senate report.

Hydrogen.—The conference agreement does not include House language urging the Department to avoid commitments to multimillion dollar demonstration projects. The conference agreement includes $3,000,000 for the Russian—American Fuel Cell Consortium, $1,000,000 less than the amount provided by the Senate.

Renewable Indian energy resources.—The conference agreement includes $4,000,000, the amount provided by the Senate, which includes: $2,000,000, the same amount as the current year, for the Power Creek Hydroelectric Project in Cordova, Alaska; $800,000 for the Old Harbor Hydroelectric Project in the Village of Old Harbor, Alaska; $1,000,000 for the Upper Lynn Canal Regional Electric Project in Skagway Bay, Alaska; and $100,000 to complete studies and confirm the feasibility of several small hydroelectric facilities in the Village of Scammon Bay, Alaska.

Electric energy systems and storage.—The conference agreement includes up to $1,000,000 for a research and development partnership to manufacture electric transmission lines using aluminum matrix composite materials.

Federal buildings/Remote power initiatives.—The House and Senate each included proposals intended to direct the Department to identify and pursue near term opportunities to exploit the strengths of solar and renewable energy technologies. The conference agreement includes both initiatives and provides $5,000,000 for these activities. The Department is directed to provide the House and Senate Committees on Appropriations with a program plan which includes a funding profile, and criteria for awarding proposals. All proposals must include a cost benefit analysis. The Department may approve only proposals that have verifiable, favorable cost benefits over a period of not more than ten years. Cost benefits shall be based exclusively on actual monetary costs and savings.

Program direction.—The conference agreement includes $15,651,000 for program direction. The conferees have provided additional funds to address the issues raised in the House report with regard to program taxes. In short, the Department has reallocated program funds to pay for support service contractors, equipment, travel, "cross-cutting" activities, "Assistant Secretary initiatives" and other activities not described in the budget request. All funding for support service contracts and the aforementioned activities is provided in program direction. The Department is directed to end its practice of taxing programs and to allocate funding to programs in accordance with allocations stipulated in appropriations bills.

Excessive carryover balances.—The conferees strongly endorse the concerns expressed in the House report and direct that the Department allocate the prior year balance adjustment to programs with consideration given to which programs have available carryover funds. The conferees direct that the Department allocate new budget authority for solar and renewable programs after making an adjustment which reflects a careful analysis of each program's share of carryover balances.

Executive Order 12902.—The conference agreement includes the Senate recommendation that the assessment and report be done by the Office of Management and Budget (OMB).

NUCLEAR ENERGY

University reactor fuel assistance and support.—The recommendation is $7,000,000, a $3,000,000 increase over the current fiscal year. The Department is directed to include appropriate laboratories, industry groups and universities in this program. The conference agreement provides $2,200,000 for the core university reactor fuel program and another $2,200,000 for the peer-reviewed Nuclear Engineering Education Research (NEER) program. None of the funds are to be provided to industry and no less than $5,000,000 is to be made available to universities participating in this program.

Termination costs.—The conference agreement includes $77,035,000, including a total of $33,000,000 for electrometallurgical-related activities. An additional $12,000,000 is provided for nuclear technology research and development in Other Defense Activities. The conference agreement does not include the Senate recommendation to provide $3,000,000 for the advanced light water reactor program. The conference agreement includes the Senate reduction to the budget request, $1,500,000, for management studies and evaluations.

Isotope support.—The conference agreement recommendation for isotope support shall include funds for isotope production and distribution including alpha-emitter production, chemistry research and preclinical studies.

Program direction.—The conference agreement combines the separate program direction lines in the uranium, isotope support and other nuclear energy programs. The amount provided, $21,000,000, is $5,110,000 more than the amount provided by the House and $3,066,000 less than the comparable amount in the budget request.

ENVIRONMENT, SAFETY AND HEALTH

The conference agreement includes $66,050,000, of which $23,550,000 is provided for program direction. The conferees have provided a more balanced distribution of the program direction funding by providing an additional $20,000,000 in the defense environment, safety and health program.

MAGNETIC FUSION ENERGY

The conferees have adopted the Senate title for this program. The conference agreement provides $232,000,000 which includes $2,000,000 for fusion irradiation activities currently funded under the domestic nuclear energy program.

FUNDING ADJUSTMENTS

The conference agreement includes a $31,535,000 adjustment reflecting availability of prior year balances, an increase of $13,000,000 to the adjustment recommended by the House. The Department is directed to evaluate availability of prior year balances and allocate this reduction based on that evaluation.

NON-DEFENSE ENVIRONMENTAL MANAGEMENT

The conference agreement appropriates $497,059,000 instead of $497,619,000 as proposed by the House and $664,684,000 as proposed by the Senate. The conferees have agreed to transfer the Formerly Utilized Sites Remedial Action Program (FUSRAP) to the Corps of Engineers, and funding for this program is contained in Title I of the bill.

The conferees direct the Department of Energy to assess the cost of decommissioning the Southwest Experimental Fast Oxide Reactor site in Arkansas and provide a report to the Committees on Appropriations by September 30, 1998. The conferees further acknowledge the purpose of the Integrated Petroleum Environmental Consortium, but do not believe this initiative properly falls within the jurisdiction of the Energy and Water Development Appropriations Subcommittees.

The conference agreement funds the University Research Program in Robotics at a level of $4,000,000 in the Defense Environmental Restoration and Waste Management appropriation account.

The conferees are aware that Advanced Nuclear & Medical Systems Inc. (ANMS) which had been the principal proponent for delaying the deactivation and decommissioning of the Fast Flux Test Facility (FFTF) at Richland, Washington, has withdrawn its proposal to convert the FFTF for tritium and medical isotope production. On the basis of the original proposal, the Department has delayed until December 1998 a decision to shut down the reactor, increasing the costs to the government of maintaining the reactor in a standby condition. The conferees direct the Department to make a determination on the continued standby status of the FFTF as part of the fiscal year 1999 budget submission.

URANIUM ENRICHMENT DECONTAMINATION AND DECOMMISSIONING FUND

The conference agreement appropriates $220,200,000 as proposed by the House instead of $230,000,000 as proposed by the Senate. The conference agreement retains bill language proposed by the House providing funds for the uranium and thorium reimbursement program, and increases the funding level of $40,000,000. The conferees agree with the House proposed reporting requirements.

SCIENCE

The conference agreement includes $2,235,708,000, $28,076,000 more than House and $12,631,000 more than the comparable Senate amount.

High energy physics.—The conference agreement provides $680,035,000 for high energy physics. This is the amount provided by the House and represents a $5,000,000 increase over the amount requested by the Administration.

Nuclear physics.—The conference agreement provides $320,925,000 for nuclear physics. This is the amount provided by the House and represents a $5,000,000 increase over the amount requested by the Administration.

BIOLOGICAL AND ENVIRONMENTAL RESEARCH

The conferees support the peer-reviewed nuclear medicine research program in biological imaging at the University of California Los Angeles and strongly encourage the Department to fully fund that research in fiscal year 1998.

The Department of Energy will initiate and carry out a rigorous, peer- reviewed research program that will apply the molecular level knowledge gained from the Department's human genome and structural biology research to ascertain the effects on levels ranging from cells to whole organisms that arise from low-dose-rate exposures to energy and defense-related insults (such as radiation and chemicals). By providing a scientific basis for determining the effects of low-dose exposure, this program will lead to reductions in the uncertainties inherent in current calculations and the development of new, more reliable risk management methods. The ultimate goal is adequate, cost effective health protection for workers and the public from radiation, chemicals and waste clean-up that is commensurate with actual risks.

The conferees have included $3,000,000 for this effort in fiscal year 1998 and direct the Department to develop a multi-year program plan, including budgets, for the subsequent ten years.

The conference agreement includes $4,000,000 to upgrade a nuclear radiation center to accommodate boron neutron capture therapy (BNCT) research in conjunction with the University of California—Davis. BNCT is the selective irradiation of tissue for treatment of inoperable brain tumors. The conference agreement also includes $7,500,000 for design, planning and construction of an expansion of the Medical University of South Carolina's cancer research center. This addition will provide research and treatment areas for the utilization of Positron Emission Tomography, using metabolic bio-markers, a ribozyme-based gene therapy. The conferees are aware of the high rate of cancer nationwide, the need to translate basic biomarker research to direct application, and the need for expansion of this facility. The conferees have provided $3,000,000 to develop proton scanning technology. This effort utilizes the existing proton therapy capabilities at the Proton Cancer Treatment Center at Loma Linda Medical Center in California in cooperation with the Fermi National Accelerator Laboratory. This effort will expand the use of this superior radiation treatment, enabling more precise, safe, and effective treatment of breast, lung and other cancers, without disabling side effects. The conference agreement also includes $3,000,000 for cancer treatment efforts included in the Medical Research Initiative at the University of Rochester Medical Center.

The conference agreement includes $2,000,000 for Englewood Hospital in New Jersey which employs a condensed diagnosis process in its breast cancer treatment program. The conference agreement also includes $10,000,000 for the Northeast Regional Cancer Institute for innovative research that supports the Department's exploration of microbial genetics. The Department will benefit from the Institute's unique assets to pursue medical research related to the Human Genome Project. Also, recent breakthrough findings indicate that there is a third form of life, the Archaea, whose unique properties allow them to flourish under extreme conditions. Understanding the genetic basis of these properties promises to lead to diverse applications and public benefit. The Department has played an early and leading role in supporting this research. This new collaboration will expand the Department's exploration of the science and applications of these results for its energy, environmental, and health effects missions. The conference agreement also includes $2,500,000 for design, planning and construction of a science and engineering center at Highlands University in Las Vegas, New Mexico.

Human Genome Project.—The conference agreement does not include House language opposing the increase proposed in the budget request to evaluate ethical, legal and social implications of genome research.

National Institute for Global and Environmental Change (NIGEC).—The conference agreement includes $8,200,000, the amount provided in the budget request.

BASIC ENERGY SCIENCES

Experimental Program to Stimulate Competitive Research (EPSCoR).—The conference agreement includes $7,000,000, the amount provided in the budget request.

OTHER ENERGY RESEARCH

Computational and technology research.—The conference agreement does not include House language regarding the transfer of funds to the fusion program, nor the Senate language regarding computer equipment for the Institute for Computational Chemistry and Molecular Modeling.

University and Science Education.—The conference agreement does not include the Senate proposal to provide $10,000,000 for this program.

NUCLEAR WASTE DISPOSAL FUND

The conference agreement appropriates $160,000,000 as proposed by both the House and the Senate, including $4,000,000 to be made available to the Nuclear Regulatory Commission for multi-purpose canister licensing, as proposed by the Senate. The

agreement includes no funding for the State of Nevada as proposed by the House, instead of $1,500,000 as proposed by the Senate. The agreement includes $5,000,000 for affected units of local government instead of $0 as proposed by the House and $6,175,000 as proposed by the Senate.

The agreement includes a reduction of $11,950,000 from the science program and a reduction of $16,000,000 for personnel costs, training and travel expenses for Federal employees, support service contractors, nonsafety related training for contractor employees, cooperative agreements and other programs not directly associated with the performance of characterization and interim storage activities.

The conferees fully expect the Office of Civilian Radioactive Waste Management to achieve its Strategic Alignment Initiative targets for fiscal year 1998.

The conferees recognize the capability and availability of resources at the University of Nevada-Las Vegas to store data and scientific studies related to Yucca Mountain and encourage the Department to maximize utilization of this resource.

DEPARTMENTAL ADMINISTRATION

The conference agreement appropriates $218,747,000 for Departmental Administration instead of $214,723,000 as proposed by the House and $220,847,000 as proposed by the Senate. Revenues of $131,330,000 are estimated to be received in fiscal year 1998, resulting in a net appropriation of $87,417,000.

The conference agreement deletes bill language proposed by the Senate providing additional amounts for cost of work for others provided that such increases are offset by revenue increases of the same or greater amount.

The conference agreement directs the Department to reduce staffing through buyouts and attrition to the level which can be appropriately supported within the available funds provided for fiscal year 1998. No direction to the Department to reduce specific organizations has been provided, but the Conferees expect the Department to assess objectively the workload and value added by many of these support and administrative organizations and the redundancy existing with program organizations which have their own support staffs. Staffing reductions are *not* to be prorated across every organization.

Of the amount provided for other expenses within Departmental Administration, $1,623,000 is available for salaries and expenses in the Office of the Secretary to pay the salaries and expenses of employees otherwise on detail to the Office of the Secretary.

The conferees have provided $6,000,000 for a corporate management information system. The Department is directed to provide detailed information on the systems to be acquired, project costs and milestones, and a description of how these new systems will consolidate, eliminate, or integrate with all of the Department's current information systems. This detailed analysis is to be provided as part of the fiscal year 1999 budget submission.

The conference agreement provides reprogramming authority of $1,000,000 or 10 percent, whichever is less, within the Departmental Administration account. This should provide the needed flexibility to manage this account. Congressional notification of the use of this authority is to be provided on a quarterly basis.

OFFICE OF THE INSPECTOR GENERAL

The conference agreement includes $27,500,000, as proposed by both the House and Senate.

ATOMIC ENERGY DEFENSE ACTIVITIES

WEAPONS ACTIVITIES

The conference agreement appropriates $4,146,692,000 instead of $3,943,442,000 as proposed by the House and $4,302,450,000 as proposed by the Senate.

The conference agreement includes language proposed by the Senate providing that funds are available until expended, and that funding for any ballistic missile defense program undertaken by the Department of Energy for the Department of Defense must be provided in accordance with procedures established for Work for Others by the Department of Energy.

Stockpile stewardship.—The conference agreement supports increased funding for many activities in the core stockpile stewardship program with the following specific adjustments. An additional $45,000,000 has been provided for the core research and advanced technology program and enhanced non-nuclear component assessment and experimental activities. As directed by the Senate, $15,000,000 is provided to develop an in-house, contingent source of radiation hardened microelectronics. An increase of $20,000,000 over the budget request is provided for the accelerated strategic computing initiative for a total of $224,800,000. An appropriation of $177,002,000, an increase of $20,000,000 over the request, is provided to maintain a readiness capability to conduct an underground nuclear test at the Nevada test site. An additional $30,000,000 is provided for infrastructure and equipment needs at the national laboratories and the Nevada test site.

The conferees understand that the Department has unique capabilities to assist the Department of Defense in its mission of land mine remediation. The conferees urge the Department to develop a proposal for a Work for Others program with the Department of Defense that would involve testing and demonstration of DOE land mine detection technology at the Nevada Test Site.

The conferees are aware of the significant scientific and technological advances made in the pulsed power program over the past year on the Z-accelerator at Sandia National Laboratory. The Department should support continued Z-physics experiments and improved diagnostic capabilities in the coming year.

Within the technology transfer program, $10,000,000 is provided for the American Textile Partnership (AMTEX). No funds are provided for the Partnership for Next Generation Vehicles.

The conference agreement does not provide additional funding for the inertial confinement fusion program, but expects the Department to allocate existing funds to fully exploit the capabilities of the Nike, Omega, and Nova lasers.

Stockpile management.—For core stockpile management, the conference agreement provides $2,052,150,000, which includes the following adjustments to the budget request. An additional $35,000,000 is provided in support of the W87 program and to provide capability at the Y-12 plant in Oak Ridge, Tennessee, in preparation for expected stockpile life extension program, $7,500,000 is provided for enhanced surveillance activities, and $35,000,000 is provided for manufacturing and infrastructure initiatives. Joint development of manufacturing technologies with laboratories is increased by $5,000,000, and $7,500,000 is provided for the Department's environmental surety program. An additional $10,000,000 is recommended to sustain the modernization of the weapons complex begun last year; and an additional $8,000,000 is included to continue upgrades to the existing tritium recycling facility.

Within the budget request for stockpile management, the Department included $45,200,000 for safeguards and security activities at the Rocky Flats, Colorado, and Fernald, Ohio, environmental cleanup sites. The conference agreement transfers that funding to the Defense Facilities Closure Projects account.

The conferees have not provided funding for improvements to Greenville Road in Livermore, California. The City of Livermore has sought for several years to have funds appropriated in this bill for highway construction. The conferees are reluctant to proceed down the path of funding highways at every Department of Energy facility and urge the City to seek funding from more appropriate sources.

Program direction.—For program direction funding, the conference agreement provides $250,000,000, a reduction of $53,500,000 from the budget request. The Department anticipates carrying unobligated funds into fiscal year 1998 which will supplement this appropriation. The reduction is imposed in part because of the conferees' frustration that the program has been unable to reduce its employee levels to those established by the Department's own Strategic Alignment Initiative. The Department is directed to meet the Strategic Alignment Initiative personnel ceilings which have been established for the defense programs organization in fiscal year 1998, and to impose the reduction in a manner that results in the implementation of the recommendations made by the Institute for Defense Analysis in its 120 day review of the program's management structure.

DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT

The conference agreement appropriates $4,429,438,000 for Defense Environmental Restoration and Waste Management instead of $5,263,270,000 as proposed by the House and $5,654,974,000 as proposed by the Senate. Additional funding of $890,800,000 is contained in the Defense Facilities Closure Projects account and $200,000,000 for Environmental Management Privatization, for a total of $5,520,238,000 provided for all defense environmental management activities.

The conference agreement deletes language included by the Senate earmarking funds for closure projects. The conference agreement includes the Senate language providing that funds are available until expended.

Environmental restoration.—The conference agreement provides $1,010,973,000 for environmental restoration, which is the budget request for all sites with only two exceptions. The conference agreement moves funding of $743,600,000, the budget request included in environmental restoration for the Rocky Flats and Fernald sites, from this program to a new appropriation account, Defense Facilities Closure Projects.

An additional $10,000,000 has been included in the environmental restoration program to accelerate cleanup at those sites or facilities which can effectively reduce outyear mortgage costs with small incremental funding increases. The conferees view the acceleration of cleanup of the Hanford 100 area as a prime example of a project that should continue to receive support. A small increase in funds provided in fiscal year 1998 could expedite the cleanup of reactors along the Columbia River in Hanford's 100 area and significantly reduce the outyear mortgages.

Waste management.—The conference agreement includes the funding level of

$1,571,644,000 proposed by the Senate for the waste management program, an increase of $35,000,000 over the budget request. The additional funding should be used to continue critical ongoing activities at the Defense Waste Processing Facility in South Carolina, the Waste Isolation Pilot Plant in New Mexico, and the Hanford tank farm in Washington. The conferees have included in the funds otherwise available for the Waste Isolation Pilot Plant, $1,748,000, the same as the current year, for the Environmental Evaluation Group.

Nuclear materials and facilities stabilization.—The conference agreement includes $1,256,821,000 for nuclear materials and facilities stabilization. The recommendation includes an additional $43,000,000 over the budget request for operation of facilities at the Savannah River Site to accelerate stabilization of "at risk" spent nuclear fuel currently stored at the site. The conferees agree with the House language on the need for a status report on these activities and direct that it be submitted by November 15, 1997. The conference agreement also provides an additional $15,000,000 for the National Spent Fuel Program.

At the request of the Department, the conference agreement consolidates two prior year construction projects at the Savannah River Site, the Health Physics Site Support Facility and the Environmental Monitoring Laboratory.

Technology development.—The conference agreement provides $220,000,000 for the technology development program. As proposed by the House, $4,000,000 is provided for the University Research Program in Robotics. Funding of $5,000,000 is provided for the domestic and international technology systems applications programs, and the budget request of $40,066,000 is provided to support the private industry programs.

The conference agreement provides $27,000,000 to support the Department's efforts to deploy cost-effective new technologies. Deployment of new technologies is a strategic activity affecting virtually all environmental management programs and sites, and should be strongly supported as a complex-wide program, not another initiative established and maintained in isolation in the technology development organization.

The conferees acknowledge the work done by the Department's Environmental Management Advisory Board (EMAB) in reviewing these deployment proposals, and would like to focus the panel on efforts to change records of decision which hamper the consideration and implementation of new technologies which may be faster and more cost effective than traditional cleanup remedies.

Six months after enactment of this Act and semi-annually thereafter, the Department is to provide a report to the Committees on Appropriations on the technologies under development within the program. The report should provide a description of each technology and its applications, an accounting of the Department's investment to date in the technology, and an anticipated return on investment.

The conferees note that technologies developed under this program will be of little or no value to the Department unless they are incorporated into the Department's environmental management records of decision. Regardless of the Department's tendency toward "stove-pipe" organizational arrangements, the Assistant Secretary of Environmental Management is to ensure that the Department's contractors are made aware of and utilize technologies developed by this program.

The conference report accompanying the fiscal year 1997 Energy and Water Development Appropriations Act included a recommendation that the Department continue technology development on alternatives that might achieve satisfactory cleanup results at a significantly lower cost. The conferees believe that it would be prudent for the Department to maintain a research and development program that focuses on higher risk, high-payoff processing and vitrification technologies in parallel with ongoing efforts that could serve as a backup in the event conditions change. The conferees reaffirm the recommendation stated last year and strongly urge the Department to undertake a joint, cooperative effort between the Offices of Waste Management and Technology Development to assess the effectiveness and technical feasibility of the modular in-can and in-tank vitrification technology consistent with the fiscal year 1997 Energy and Water Development Appropriations conference agreement.

The conferees urge the Department to support a joint, cooperative effort between the Offices of Technology Development, Environmental Restoration, Waste Management, and Nuclear Materials and Facilities Stabilization to develop a program to accelerate cleanup of lands which can be transferred to the public sector for other uses. Technology demonstrations should be directed to contaminated Department of Energy sites demonstrating the capability of applying integration of technologies to recover useful lands for transfer to the public sector. These demonstrations should be in diverse regions of the country with the emphasis on a return on investment (ROI) analysis with firm schedules and cost analyses that support the ROI analysis. The lands should be determined by the ability to transfer them to the private sector in three to five years. The changes required to regulations, based on expected reductions of risk, increased public safety, and financial benefit to the government must be a specific end product of this demonstration. Reports on progress of these programs should be submitted to the Committees on Appropriations for information on an annual basis with emphasis on completion of specific land restoration in three years.

Environmental science program.—The conferees are pleased with the progress to date in implementing the environmental basic research science program, and have provided $55,000,000 for this activity in fiscal year 1998, an increase of $5,000,000 over the budget request. From these funds, $48,000,000 has been provided for the basic science program, and $7,000,000 for risk policy. Of the risk policy funding, $4,000,000 is provided for the Consortium for Risk Evaluation with Stakeholder Participation (CRESP).

The conferees agree that the Department is to provide to the Committees on Appropriations a list of each research grant that has been funded, a description of what cleanup problem is to be addressed, and how the grantee is to interact with the Department and field sites to address the specific problems.

Privatization.—The conference agreement provides $200,000,000 for the environmental privatization program to guarantee the Federal government's commitment to a variety of projects for which private financing will be sought by the contractors involved in bidding on these activities at Department of Energy sites. This funding is to be allocated consistent with the direction provided in the Fiscal Year 1998 National Security Authorization Act. An additional $32,100,000 for the two privatization projects proposed for Fernald, Ohio, has been provided in the Defense Facilities Closure Projects account.

The conferees support statements in the Senate committee report on the importance of the tank waste remediation system (TWRS) privatization project. TWRS is an absolutely essential cleanup priority for the Hanford site. The conferees further believe that the funds provided by the conference agreement are sufficient for TWRS to proceed on schedule. Combined with last year's appropriation, the total budget authority provided by Congress for TWRS underscores the commitment to see this project completed.

The conferees also recognize the importance of meeting cleanup milestones at the Idaho National Engineering and Environmental Laboratory in the court-ordered settlement agreement between the Department and the State of Idaho. Adequate funds should be provided for this purpose.

Program direction.—The conferees have provided $345,000,000 for the program direction account. The Department will carry unobligated balances into fiscal year 1998 which will increase the funding available in this account.

Economic development.—The conference agreement maintains the current policy that no cleanup funds are to be used for economic development activities. The conferees have provided $61,159,000 in the worker and community transition program which was established and authorized to fund such activities, and expect all economic development activities to be funded from that program.

DEFENSE FACILITIES CLOSURE PROJECTS

The conference agreement appropriates $890,800,000 for the Defense Facilities Closure Projects account instead of $905,800,000 as proposed by the House and $65,000,000 as proposed by the Senate. The Department requested $15,000,000 for closure projects as part of the Defense Environmental Restoration and Waste Management appropriation account. The conference agreement has established a separate appropriation account for closure projects to provide maximum visibility and accountability for program activities.

Last year the conferees expressed significant interest in accelerating closure of environmental management sites and urged the Department to provide adequate funds to support this effort at sites which could be cleaned up within ten years with a notable reduction in mortgage costs due to the accelerated schedule. The Administration's fiscal year 1998 budget request did not implement this direction. The conferees consider this a very important issue, and have established a separate appropriation account to fund those Department of Energy sites which have an established cost, schedule, and project plan which permits closure of the entire site by 2006. At this time, the conferees are aware of only two sites which meet this criteria: Rocky Flats, Colorado, and Fernald, Ohio. The Department is urged to develop firm cost, schedule, and technical plans for other sites such as Mound and the RMI Ashtabula project in Ohio which can be closed by 2006, and include those sites in this account in the fiscal year 1999 budget request.

The conferees are aware that portions of other sites which will continue to have a Department of Energy presence beyond 2006 are also candidates for accelerated cleanup activities. To accommodate those sites such as Savannah River, Hanford, and Oak Ridge, the conferees have provided additional funding in the defense environmental restoration

program to accelerate cleanup activities. Sites with a continued Federal presence beyond 2006 are not candidates for the closure projects account.

The conferees are pleased that the Department now supports a 2006 closure date for the Rocky Flats site in Colorado. With a relatively small increase in funding over the budget request in fiscal year 1998, it is anticipated that total project costs of $1,000,000.000 can be saved. The Department's budget included $598,850,000 for Rocky Flats in various program accounts including $44,000,000 funded in the Weapons Activity account for safeguards activities. The conference agreement consolidates all of this funding and provides an additional $33,250,000 for a total of $632,100,000 for cleanup activities.

Current cost projections indicate that closing the Fernald, Ohio, site by 2006 would cost approximately $2,500,000,000, while closing it by 2011 increases costs to approximately $2,800,000,000. The conferees' recommendation of $258,700,000 provides the budget request from the environmental restoration program, $1,200,000 for safeguards from the Weapons Activities appropriations, $25,200,000 for the Waste Pits Remedial Action project, and $6,900,000 for the Silo 3 Residue Waste Treatment project.

As part of the fiscal year 1999 budget submittal, the Department is directed to provide adequate detail showing the cost, scope, schedule, and technical assumptions which support these project closures by 2006. The Department is directed to ensure that the budget justifications provide adequate detail to permit Congress to track closure progress on an annual basis.

The current management and organization structure in the Environmental Management program at the Department does not lend itself to the successful management of dynamic projects with established completion dates and fixed price costs. Federal management of such projects requires skills quite different from the level of effort activities often performed at DOE sites. The Department is directed to provide the House and Senate Committees on Appropriations within 60 days of enactment of this bill with a detailed plan outlining a proposed project management structure which reduces the numerous layers of Federal bureaucracy through which closure projects must report.

OTHER DEFENSE ACTIVITIES

The conference agreement includes the Senate language providing that funds are available until expended.

The conference agreement appropriates $1,666,008,000 for Other Defense Activities instead of $1,580,504,000 as proposed by the House and $1,637,981,000 as proposed by the Senate. Details of the conference agreement are provided below.

NONPROLIFERATION AND NATIONAL SECURITY

The conference agreement provides $658,300,000 for nonproliferation and national security instead of $586,700,000 as proposed by the House and $662,000,000 as proposed by the Senate.

Within the funding for arms control, a total of $29,600,000 is provided for the Initiatives for Proliferation Prevention (IPP). The House language requiring a separate report on the IPP program is eliminated. However, the conferees expect the Department to ensure that these funds are used only for activities directly related to preventing the exodus of nuclear weapons scientists from the former Soviet Union.

From within available funds for arms control, the conference agreement provides $10,000,000 for nuclear material security at a site in Kazakstan.

The conference agreement provides $30,000,000, an increase of $10,000,000 over the budget request, for the Department's security investigations program. The conferees are aware that the Department's budget request was not sufficient to support the necessary number of security clearances required in fiscal year 1998.

The conference agreement provides $82,900,000 for the program direction account. The conferees direct the Department to meet the Strategic Alignment Initiative personnel ceilings which have been established for the nonproliferation and national security organization in fiscal year 1998 and beyond.

ENVIRONMENT, SAFETY AND HEALTH (DEFENSE)

The conference agreement provides $94,000,000, an increase of $40,000,000 over the budget request, for defense-related environment, safety and health activities. The recommendation provides the Senate funding level for programmatic activities, and $20,000,000 for the program direction account. Included in the recommendation is $2,000,000 for the final year of the Hanford thyroid study.

WORKER AND COMMUNITY TRANSITION

The conference agreement provides $61,159,000 for the worker and community transition program instead of $56,000,000 as provided by the House and $62,000,000 as provided by the Senate. The conferees direct that no other Departmental funds be used to provide enhanced severance payments and other benefits under the provisions of Section 3161 of the National Defense Authorization Act of Fiscal Year 1993, and that the Department provide a report by March 30, 1998, regarding the future need and justification for the program.

The conferees direct that none of the funds provided for this program be used for additional severance payments and benefits for Federal employees of the Department of Energy. Federal employees are covered by a multitude of laws which control employee benefits and protections during the downsizing of Federal agencies.

The Department submitted a budget amendment to establish an asset management pilot projects program within DOE and to sell or lease five specific assets. The conferees support this initiative, but funding considerations will not permit DOE to retain the net proceeds from the sales or leases. The Department is urged to proceed with implementation of the asset sales program under the current guidelines which permit the Department to retain proceeds from the sales and leases to the extent they are needed to cover the administrative costs of executing the sale or lease. The conferees are aware of the proposal for the national pilot program for electronics recovery and recycling, and have provided $3,500,000 to initiate this program.

The conferees recognize the reductions in the defense work force at the Nevada Test Site as a consequence of defense downsizing. Of the eleven defense facilities sites engaged in downsizing, the Nevada Test Site experienced the second highest reduction in full time equivalent employees. However, Nevada has received less community transition support than any other qualifying defense facility. The conferees urge the Secretary to ensure equitable worker and community transition funding.

FISSILE MATERIALS DISPOSITION

The conference agreement provides the budget request of $103,796,000 for fissile materials disposition. The Department is commended for its recognition that, despite the controversy it evokes, the burn-up of plutonium in mixed-oxide fuel is the preferred method of disposing of large volumes of weapons grade plutonium. The conferees expect the Department to adhere to the schedule and process for selection of contractors for the mixed-oxide fuel plant and reactors in fiscal year 1998.

However, the conferees direct that the principle objective of the materials disposition program be the conversion of Russian and United States classified materials shapes with special emphasis on weapon primary "pits" into non-weapons usable, verifiable shapes and forms. Material in classified shapes is by far the most attractive for diversion, theft or weapons reassembly, and for that reason this class of material requires immediate attention even if its initial treatment does not lead immediately to final disposition. The conversion of weapons grade plutonium into metallic or oxide forms is acceptable for this step. The choice between oxide or metallic forms should be dictated solely by the rapidity with which the conversion can be accomplished and is dependent upon construction details for different classified shapes. Any delays in this first step predicated on additional research for methods of preparation of materials forms or licensing issues for eventual disposition in mixed-oxide fuel or vitrification are not acceptable. Adequate technologies are available today for conversion of all types of classified shapes.

NUCLEAR ENERGY (DEFENSE)

The conference agreement provides $35,000,000 for the international nuclear safety program to improve the safety of Soviet-designed nuclear reactors, a decrease of $15,000,000 from the budget request. The conference agreement does not provide funding for the spent fuel management program nor the Chornobyl shutdown initiative.

OFFICE OF HEARING AND APPEALS

The conference agreement provides $2,300,000 instead of $1,900,000 as proposed by the House and $2,685,000 as proposed by the Senate.

INDEPENDENT ASSESSMENT OF DOE PROJECTS

The conference agreement provides $35,000,000 as proposed by the House to provide for external reviews of the Department's individual construction and privatization projects, and an external review of the Department's facility acquisition management process. The immediate concern of the conferees is a review of all Department of Energy construction projects initiated in fiscal year 1998, construction projects currently in the conceptual design phase, ongoing projects if recommended by the initial assessment required below, and projects proposed by the Department for privatization. These evaluations should include a review and assessment of the quality of the technical scopes, cost estimates, schedules, and supporting data regarding these construction projects, and should make recommendations on the validity of the proposed costs, scopes, and schedules.

While the House bill directed that these reviews be conducted by the Corps of Engineers, the conferees acknowledge that there may be other qualified, unbiased external organizations that could conduct this type of assessment. Therefore, prior to obligating any funds provided for review of these construction and privatization projects, the conferees expect the Department to contract with an impartial independent organization

with expertise in the evaluation of government management and administrative functions, for a detailed analysis of the proposed independent assessment of construction projects.

This contract should produce a report to be submitted to the House and Senate Committees on Appropriations not later than December 31, 1997. The report should address the need for conducting independent assessments of the Department's proposed and ongoing construction projects and projects proposed for privatization, assess the proposed content of these reviews as outlined above, as well as recommend the appropriate entity(ies) (including, but not limited to, the Corps of Engineers) to conduct these reviews. The conferees expect this contract to be entered into as soon as possible, and expect the Department to consult with the Appropriations Committees regarding the selection of an independent organization to produce this report.

In addition to the report on the need for an independent assessment of the Department's construction projects, the conferees direct that the Department's overall management structure and process for identifying, managing, designing and constructing facilities also be reviewed by an impartial independent organization with expertise in the evaluation of government management and administrative functions. The report should be provided to the Committees on Appropriations by June 30, 1998. The process used by the Department and its contractors to identify project requirements, develop scopes of work, execute and manage design, prepare cost estimates, select contract types, and execute and manage construction must be examined. The review should assess the level of oversight and experience of field and headquarters Federal personnel involved in this process. The recommendations of the report should include an analysis of the effectiveness of this process, advantages, disadvantages, and recommended improvements with the ultimate goal of establishing an overall departmental process that has more control of the projects and reduces project cost growth and schedule slippages. This study should also include a review of large operating projects such as environmental projects which may or may not involve much construction, but should clearly be managed with the same principles and guidelines.

NAVAL REACTORS

The conference agreement provides $670,500,000, instead of $673,500,000 as proposed by the House and $660,500,000 as proposed by the Senate. An additional $30,000,000 over the budget request has been provided to continue test reactor inactivation efforts and environmental cleanup activities which are scheduled to be completed in fiscal year 2002.

DEFENSE NUCLEAR WASTE DISPOSAL

The conference agreement appropriates $190,000,000 and includes the Senate language providing that funds are available until expended. The House bill did not include this provision.

POWER MARKETING ADMINISTRATIONS

ALASKA POWER ADMINISTRATION

In addition to the $1,000,000 provided by the House and Senate, the conference agreement provides $2,500,000, as recommended by the Senate, to replace a damaged transmission cable. The conferees are aware that, in addition to the $3,500,000 provided in this paragraph, the Department has additional funding available from funds appropriated in prior years. Any funds in excess of current requirements shall be returned to the Treasury of the United States upon the sale of the Administration.

The conference agreement includes $10,000,000 for the Swan Lake—Lake Tyee Intertie project, $10,000,000 less than the amount recommended by the Senate.

BONNEVILLE POWER ADMINISTRATION

A total of $3,750,000 has been made available to Bonneville as permanent borrowing authority. During fiscal year 1998, Bonneville plans to repay the Treasury $805,000,000, of which $228,000,000 is to repay principal on the the Federal investment in these facilities.

The conferees note that the Senate report directs the Northwest Power Planning Council to provide a final hatchery review report by October 1998. As this late date will impede the ability of the Appropriations Committees to incorporate the findings of the review into the fiscal year 1999 appropriations process, the conferees direct the Council to provide the final hatchery review report by June 1998.

Cost control.—The conferees commend Bonneville for its actions in the last three years to reduce planned spending by approximately $600,000,000 annually and to reduce staffing by 1,000 positions. The conferees believe there is an opportunity, and need, to further reduce costs. The conferees understand that Bonneville and the Northwest Power Planning Council are reviewing Bonneville's planned spending in order to recommend ways for Bonneville to further control costs and have engaged a group of senior business executives to aid in this effort. The conferees support the efforts to assure that limited ratepayer dollars are prudently spent. All program expenditures, other than debt service, must be carefully reviewed by Bonneville to determine whether additional reductions or program terminations can be made to minimize the potential for stranded costs and to keep rates competitive in the wholesale power market. Concurrent with this review, Bonneville staffing levels should continue to be reviewed and adjusted to match changing program needs. The conferees direct that Bonneville and the Council provide a report to the House and Senate Committees on Appropriations by March 1, 1998, identifying specific recommendations for cost reductions in all non-debt service spending for which Bonneville is responsible. This report should include consideration of which current programs and functions Bonneville should continue to perform in a competitive market, and not focus merely on improved management efficiency.

SOUTHEASTERN POWER ADMINISTRATION

The conference agreement includes $12,222,000, the same amount recommended by the House and the Senate.

SOUTHWESTERN POWER ADMINISTRATION

The conference agreement includes $25,210,000, the same amount recommended by the House.

WESTERN AREA POWER ADMINISTRATION

The conference agreement provides $189,043,000, the same amount provided by the House. The conference agreement also includes the Senate recommendation that $5,592,000 be available as a transfer from the Colorado River Dam Fund.

The conference agreement also includes $5,592,000, the same amount as the Senate, to be deposited in the Utah reclamation mitigation and conservation account.

The conferees are aware of the Western Area Power Administration's proposed distribution of projected fiscal year 1998 costs across several financing sources, including funds appropriated by the Congress. As Federal appropriated funds are reduced while electricity rates drop in the marketplace, the conferees direct that Western keep its wholesale rate as competitive as possible and thereby maintain as robust a repayment stream back to the Treasury as possible.

FALCON AND AMISTAD FUND

The conference agreement includes $970,000, the same amount recommended by the House.

FEDERAL ENERGY REGULATORY COMMISSION

The conference agreement includes $162,141,000, the same amount recommended by the House and Senate.

GENERAL PROVISIONS

DEPARTMENT OF ENERGY

SEC. 301. The conference agreement includes a provision by the House that none of the funds in this Act or any prior appropriations Act may be used to award a management and operating contract unless such contract is awarded using competitive procedures, or the Secretary of Energy grants, on a case-by-case basis, a waiver to allow for such a deviation. At least 60 days before such action, the Secretary of Energy must submit to the House and Senate Committees on Appropriations a report notifying the Committees of the waiver and setting forth the reasons for the waiver. Section 301 does not preclude extension of a contract awarded using competitive procedures.

SEC. 302. The conference agreement includes a provision proposed by the House that none of the funds in this Act or any prior appropriations Act may be used to award, amend, or modify a contract in a manner that deviates from the Federal Acquisition Regulation, unless the Secretary of Energy grants, on a case-by-case basis, a waiver to allow for such a deviation. At least 60 days before such action, the Secretary of Energy must submit to the House and Senate Committees on Appropriations a report notifying the Committees of the waiver and setting forth the reasons for the waiver.

The conferees direct the Department, as contracts are awarded or renegotiated, to standardize its contracts in accordance with the Federal Acquisition Regulation. In awarding, amending, or modifying contracts, the Department is directed to be cognizant of and utilize provisions of the Federal Acquisition Regulation that permit exceptions to the Federal Acquisition Regulation and provisions intended to address the special circumstances entailed by management and operating contracts.

SEC. 303. The conference agreement includes a provision proposed by the House that none of the funds in this Act or any prior appropriations Act may be used to prepare or implement workforce restructuring plans or provide enhanced severance payments and other benefits and community assistance grants for Federal employees of the Department of Energy under section 3161 of the National Defense Authorization Act for Fiscal Year 1993, Public Law 102-484.

SEC. 304. The conference agreement includes a provision proposed by the House that none of the funds in this Act or any prior appropriations Act may be used to augment the $61,159,000 made available for obligation in this Act for severance payments and other benefits and community assistance grants authorized under the provisions of section 3161 of the National Defense Authorization Act for Fiscal Year 1993, Public Law 102-484. This provision does not preclude the Department from proposing a reprogramming if deemed critical to program needs during fiscal year 1998.

SEC. 305. The conference agreement includes a provision proposed by the House that none of the funds in this Act or any prior appropriations Act may be used to prepare or initiate Requests for Proposals for a program if the program has not been funded by Congress.

SEC. 306. The conference agreement includes a provision proposed by the House that permits the transfer and merger of unexpended balances of prior appropriations with appropriation accounts established in this bill.

Provision transferred to Title V.

The general provision proposed by the House to prohibit agency lobbying of Congress has been moved to Title V, and will apply to each agency and department funded in this bill.

Provisions not included in the conference agreement.

The conference agreement does not include the House provision prohibiting the use of funds to award or modify any contract for support services without a cost comparison conducted under the procedures and requirements of Office of Management and Budget Circular A-76.

The conference agreement does not include the House provision prohibiting the use of funds to award or modify a management and operating contract which includes funds for support services contracts for use by Department of Energy personnel.

The conference agreement does not include the House provision requiring an independent assessment before initiation of new construction projects, but funds have been provided for external reviews of the Department's facility acquisition processes and individual construction projects.

Department of Energy (in thousands)

	Budget Estimate	Conference
ENERGY SUPPLY		
SOLAR AND RENEWABLE ENERGY		
Solar energy		
Solar building technology research	4,000	2,720
Photovoltaic energy systems	77,000	66,511
Photovoltaic energy research	---	2,274
Subtotal, Photovoltaic	77,000	68,785
Solar thermal energy systems	19,800	16,775
Biomass/biofuels energy systems		
Power systems	36,500	28,600
Biofuels	40,040	31,150
Subtotal, Biomass/biofuels energy systems	76,540	59,750
Biomass/biofuels energy research	---	38,635
Subtotal, Biomass	76,540	98,385
Wind energy systems	42,858	33,030
Wind energy research	---	295
Subtotal, Wind	42,858	33,325
Renewable energy production incentive program	4,000	3,000
International solar energy program	7,000	1,375
Solar technology transfer	1,360	---
National renewable energy laboratory	2,800	1,000
Construction		
96-E-100 FTLB renovation and expansion, Golden, CO	2,200	2,200
Subtotal, National renewable energy laboratory	5,000	3,200
Total, Solar Energy	237,558	227,565

Department of Energy (in thousands)

	Budget Estimate	Conference
Geothermal		
Geothermal technology development	30,000	29,500
Hydrogen research	15,000	16,250
Hydrogen energy research	---	3,100
Total, Hydrogen	15,000	19,350
Hydropower development	1,000	750
Renewable Indian energy resources	---	4,000
Electric energy systems and storage		
Electric and magnetic fields R&D	8,000	8,000
High temperature superconducting R&D	32,500	32,500
Energy storage systems	4,000	3,950
Climate challenge	1,000	---
Total, Electric energy systems and storage	45,500	44,450
Federal building/Remote power initiative	---	5,000
Program direction	15,642	15,651
TOTAL, SOLAR AND RENEWABLE ENERGY	344,700	346,266

Department of Energy (in thousands)

	Budget Estimate	Conference
NUCLEAR ENERGY		
Nuclear energy R&D		
Advanced radioisotope power system	47,000	40,500
Oak Ridge landlord	9,500	9,500
Test reactor area landlord	3,217	3,000
Construction		
95-E-201 Test reactor area fire and life safety improvements, Idaho National Engineering Laboratory, ID	4,425	4,425
Subtotal, Test reactor area landlord	7,642	7,425
Advanced test reactor fusion irradiation	2,000	---
University reactor fuel assistance and support	6,000	7,000
Nuclear energy security	39,761	---
Total, Nuclear energy R&D	111,903	64,425
Termination costs	76,035	77,035
Uranium programs	79,135	61,600
Construction		
98-U-200 depleted UF6 cylinder storage yards, Paducah, KY	400	400
96-U-201 depleted UF6 cylinder storage yards, Paducah, KY	6,000	2,600
Subtotal, Construction	6,400	3,000
Total, Uranium programs	85,535	64,600
Isotope support	21,704	16,000
Program direction	16,700	21,000
TOTAL, NUCLEAR ENERGY	311,877	243,060

Department of Energy (in thousands)

	Budget Estimate	Conference
ENVIRONMENT, SAFETY AND HEALTH		
Environment, safety and health	62,731	42,500
Program direction	46,185	23,550
TOTAL, ENVIRONMENT, SAFETY AND HEALTH	108,916	66,050
ENERGY RESEARCH		
Fusion energy sciences program	225,000	232,000
ENERGY SUPPORT ACTIVITIES		
Technical information management program	2,427	1,600
Program direction	8,560	7,500
Construction	1,000	1,000
Total, Technical information management program	11,987	10,100
Field offices and management	100,233	95,000
TOTAL, ENERGY SUPPORT ACTIVITIES	112,220	105,100
Subtotal, Energy supply	1,102,713	992,476
Renewable energy research program	---	-44,304
Use of prior year balances	-18,535	-31,535
General reduction for contractor training	---	-9,830
TOTAL, ENERGY SUPPLY 1/	1,084,178	906,807
(Energy asset acquisitions)	(15,322)	---
(Energy supply, research and development)	(1,068,856)	(906,807)

Department of Energy (in thousands)

	Budget Estimate	Conference
NON-DEFENSE ENVIRONMENTAL MANAGEMENT		
Environmental restoration	457,625	275,000
Waste management	153,004	153,004
Construction		
94-E-602 Bethel Valley federal facility agreement upgrades, ORNL	1,900	1,900
93-E-900 Long-term storage of TMI-2 fuel, INEL	397	397
Subtotal, Construction	2,297	2,297
Total, Waste management	155,301	155,301
Nuclear materials and facilities stabilization	71,758	71,758
Subtotal, Non-defense environmental management	684,684	502,059
General reduction	---	-5,000
TOTAL, NON-DEFENSE ENVIRONMENTAL MANAGEMENT	684,684	497,059

Department of Energy (in thousands)

	Budget Estimate	Conference
URANIUM ENRICHMENT DECONTAMINATION AND DECOMMISSIONING FUND		
Decontamination and Decommissioning Fund	248,788	220,200
SCIENCE		
High energy physics		
Research and technology	205,240	210,240
Facility operations	418,945	418,945
Construction		
98-G-304 Neutrinos at the main injector, Fermilab	5,500	5,500
98-G-305 C-Zero area experimental hall, Fermilab	5,000	5,000
97-G-303 Master substation upgrade, SLAC	9,400	9,400
92-G-302 Fermilab main injector, Fermilab	30,950	30,950
Subtotal, Construction	50,850	50,850
Subtotal, Facility operations	469,795	469,795
Total, High energy physics	675,035	680,035
Nuclear physics	256,525	261,525
Construction		
91-G-300 Relativistic heavy ion collider, BNL	59,400	59,400
Total, Nuclear physics	315,925	320,925
Biological and environmental research	376,710	406,710
Basic energy sciences		
Materials sciences	392,475	392,475
Chemical sciences	199,933	199,933
Engineering and geosciences	41,371	41,371
Energy biosciences	27,461	27,461
Construction		
96-E-300 Combustion research facility, Phase II, SNL/L	7,000	7,000
Total, Basic energy sciences	668,240	668,240

Department of Energy (in thousands)

	Budget Estimate	Conference
Other energy research		
Computational and technology research	175,907	150,907
Energy research analyses	1,500	1,500
Program direction	30,600	---
Multiprogram energy labs - facility support		
Multiprogram general purpose facilities		
Construction		
MEL-001 Multiprogram energy laboratory infrastructure projects, various locations 1/.	7,259	7,259
95-E-301 Central heating plant rehabilitation, Phase I (ANL)	3,442	3,442
94-E-363 Roofing improvements (ORNL)	4,000	4,000
Subtotal, Multiprogram gen. purpose facilities	14,701	14,701
Environment, safety and health		
Construction		
96-E-333 Multiprogram energy laboratories upgrades, various locations	5,273	5,273
95-E-307 Fire safety imp. III (ANL)	718	718
95-E-308 Sanitary system mods. II (BNL)	568	568
Subtotal, Environment, safety and health	6,559	6,559
Subtotal, Multiprogram energy labs - fac. suppor	21,260	21,260
Total, Other energy research	229,267	173,667
Program direction	10,200	37,600
Subtotal, Science	2,275,377	2,287,177
Use of prior year SSC balances	-15,000	-35,000
Use of other prior year balances	---	-13,800
General reduction for contractor training	---	-2,669
TOTAL, SCIENCE	2,260,377	2,235,708
(Science asset acquisitions)	(138,510)	---
(Science)	(2,121,867)	(2,235,708)

Department of Energy (in thousands)

	Budget Estimate	Conference
DEPARTMENTAL ADMINISTRATION		
Administrative operations		
Office of the Secretary - salaries and expenses.....	2,850	2,500
General management - personnel compensation and benefits.....	104,530	101,695
General management - other expenses.....	77,356	73,000
Program support		
Minority economic impact.....	2,320	1,650
Policy analysis and system studies.....	2,096	500
Consumer affairs.....	40	40
Public affairs.....	50	50
Environmental policy studies.....	2,500	1,750
Scientific and technical training.....	800	500
Information management.....	8,000	6,000
Subtotal, Program support.....	15,806	10,490
Total, Administrative operations.....	200,542	187,685
Cost of work for others.....	32,062	32,062
Subtotal, Departmental Administration.....	232,604	219,747
Use of prior year balances and other adjustments.....	---	-1,000
Total, Departmental administration (gross).....	232,604	218,747
Miscellaneous revenues.....	-131,330	-131,330
TOTAL, DEPARTMENTAL ADMINISTRATION (net).....	101,274	87,417
OFFICE OF INSPECTOR GENERAL		
Office of Inspector General.....	29,499	27,500

Department of Energy (in thousands)

	Budget Estimate	Conference
ATOMIC ENERGY DEFENSE ACTIVITIES		
WEAPONS ACTIVITIES		
Stockpile stewardship		
Core stockpile stewardship	1,158,290	1,288,290
Construction		
97-D-102 Dual-axis radiographic hydrotest facility, LANL, Los Alamos, NM	46,300	46,300
96-D-102 Stockpile stewardship facilities revitalization, Phase VI, various locations 1/	51,106	19,810
96-D-103 ATLAS, Los Alamos National Laboratory 1/	19,800	13,400
96-D-104 Process and environmental technology laboratory, SNL 1/	29,820	---
96-D-105 Contained firing facility addition, LLNL 1/	26,000	19,300
Subtotal, Construction	173,026	98,810
Subtotal, Core stockpile stewardship	1,331,316	1,387,100
Inertial fusion	217,000	217,000
Construction		
96-D-111 National ignition facility, TBD 1/	876,400	197,800
Subtotal, Inertial fusion	1,093,400	414,800
Technology transfer/education		
Technology transfer	60,000	56,250
Education	9,000	9,000
Subtotal, Technology transfer/education	69,000	65,250
Total, Stockpile stewardship	2,493,716	1,867,150

Department of Energy (in thousands)

	Budget Estimate	Conference
Stockpile management	1,828,465	1,891,265
Construction		
98-D-123 Stockpile mgmt. restructuring init Tritium factory modernization and consolidation, Savannah River, SR 1/	14,343	11,000
98-D-124 Stockpile mgmt. restructuring init Y-12 consolidation, Oak Ridge, TN 1/	7,311	6,450
98-D-125 Tritium extraction facility, SR 1/	39,453	9,650
98-D-126 Acceleration prod. of tritium, VL 1/	168,590	67,865
97-D-122 Nuclear materials storage facility renovation, LANL, Los Alamos, NM 1/	41,292	9,200
97-D-123 Structural upgrades, Kansas City plant, Kansas City, KS 1/	16,600	---
97-D-124 Steam plant waste water treatment facility, upgrade, Y-12 plant, Oak Ridge, TN	1,900	1,900
96-D-122 Sewage treatment quality upgrade (STQU) Pantex plant 1/	10,600	6,900
96-D-123 Retrofit HVAC and chillers, for Ozone protection Y-12 plant	2,700	2,700
95-D-102 Chemistry and metallurgy research (CMR) upgrades project, LANL 1/	106,360	5,000
95-D-122 Sanitary sewer upgrade, Y-12 plant	12,600	12,600
94-D-124 Hydrogen fluoride supply system, Y-12 plant	1,400	1,400
94-D-125 Upgrade life safety, Kansas City plant	2,000	2,000

Department of Energy (in thousands)

	Budget Estimate	Conference
94-D-128 Environmental safety and health analytical laboratory, Pantex plant 1/	3,000	---
93-D-122 Life safety upgrades, Y-12 plant	2,100	2,100
92-D-126 replace emergency notification system, VL	3,200	3,200
88-D-122 Facilities capability assurance program (FCAP), various locations	19,520	18,920
Subtotal, Construction	452,969	160,885
Total, Stockpile management	2,281,434	2,052,150
Program direction	303,500	250,000
Subtotal, Weapons activities	5,078,650	4,169,300
Use of prior year balances	---	-2,608
General reduction	---	-20,000
TOTAL, WEAPONS ACTIVITIES	5,078,650	4,146,692
(Defense asset acquisitions)	(1,502,395)	---
(Weapons activities)	(3,576,255)	(4,146,692)

Department of Energy (in thousands)

	Budget Estimate	Conference
DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MGMT.		
Environmental restoration	1,356,573	622,973
Uranium enrichment D&D fund contribution	388,000	388,000
Total, Environmental restoration	1,744,573	1,010,973
Closure projects	15,000	---
Waste management	1,455,576	1,490,876
Construction		
98-D-401 H-tank farm storm water systems upgrade, Savannah River Site, Aiken, SC 1/	12,000	1,000
97-D-402 Tank farm restoration and safe operations, Richland, WA 1/	41,530	13,961
96-D-408 Waste mgmt upgrades, various locations 1/	12,709	8,200
95-D-402 Install permanent electrical service WIPP, AL	176	176
95-D-405 Industrial landfill V and construction/ demolition landfill VII, Y-12 Plant, Oak Ridge, TN	3,800	3,800
95-D-407 219-S Secondary containment upgrade, Richland, WA	2,500	2,500
94-D-404 Melton Valley storage tank capacity increase, ORNL	1,219	1,219
94-D-407 Initial tank retrieval systems, Richland, WA 1/	182,800	15,100
93-D-187 High level waste removal from filled waste tanks, Savannah River, SC 1/	171,969	17,520
92-D-172 Hazardous waste treatment and processing facility, Pantex Plant	5,000	5,000
89-D-174 Replacement high level waste evaporator, Savannah River, SC	1,042	1,042

Department of Energy (in thousands)

	Budget Estimate	Conference
86-D-103 Decontamination and waste treatment facility, LLNL, Livermore, CA 1/	23,573	11,250
Subtotal, Construction	458,318	80,768
Total, Waste management	1,913,894	1,571,644
Nuclear materials and facilities stabilization	1,118,114	1,176,114
Construction		
98-D-453 Plutonium stabilization and handling system for PFP, Richland, WA 1/	13,636	8,136
98-D-700 INEL road rehabilitation, INEL, ID 1/	10,800	500
97-D-450 Actinide packaging and storage facility, Savannah River Site, Aiken, SC	18,000	18,000
97-D-451 B-Plant safety class ventilation upgrades, Richland, WA	2,000	2,000
97-D-470 Environment monitoring laboratory/health physics facility, Savannah River, Aiken, SC 1/	27,780	5,600
97-D-473 Health physics site support facility, Savannah River, Aiken, SC 1/	15,200	---
96-D-406 Spent nuclear fuels canister storage and stabilization facility, Richland, WA	16,744	16,744
96-D-461 Electrical distribution upgrade, Idaho National Engineering Laboratory, ID	2,927	2,927
96-D-464 Electrical & utility systems upgrade, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, ID 1/	38,500	14,985
96-D-471 CFC HVAC/chiller retrofit, Savannah River Site, Aiken, SC 1/	34,959	8,500
95-D-155 Upgrade site road infrastructure, Savannah River, SC	2,713	2,713

Department of Energy (in thousands)

	Budget Estimate	Conference
95-D-456 Security facilities consolidation, Idaho Chemical Processing Plant, INEL, ID 1/	1,087	602
Subtotal, Construction	184,346	80,707
Total, Nuclear materials & fac. stabilization	1,302,460	1,256,821
Technology development	257,881	220,000
Policy and management	23,104	20,000
Environmental science program	50,000	55,000
Program direction	388,251	345,000
Subtotal, Defense environmental management	5,695,163	4,479,438
General reduction	---	-50,000
TOTAL, DEFENSE ENVIRON. RESTORATION AND WASTE MGMT	5,695,163	4,429,438
(Defense asset acquisitions)	(642,664)	---
(Defense environmental restoration and waste mgmt)	(5,052,499)	(4,429,438)
DEFENSE FACILITIES CLOSURE PROJECTS		
Closure projects	---	890,800
DEFENSE ENVIRONMENTAL MANAGEMENT PRIVATIZATION		
Privatization initiatives, various locations	1,006,000	200,000
TOTAL, DEFENSE ENVIRONMENTAL MANAGEMENT	6,058,499	5,520,238

Department of Energy (in thousands)

	Budget Estimate	Conference
OTHER DEFENSE ACTIVITIES		
Other national security programs		
Nonproliferation and national security		
Verification and control technology		
Nonproliferation and verification, R&D	210,000	210,000
Arms control	234,600	234,600
Intelligence	33,600	33,600
Subtotal, Verification and control technology	478,200	478,200
Emergency management	27,700	20,000
Nuclear safeguards and security	47,200	47,200
Security investigations	20,000	30,000
Program direction - NN	94,900	82,900
Subtotal, Nonproliferation and national security	668,000	658,300
Environment, safety and health (Defense)	54,000	74,000
Program direction - EH	---	20,000
Subtotal, Environment, safety & health (Defense)	54,000	94,000
Worker and community transition	65,800	57,659
Program direction - WT	4,700	3,500
Subtotal, Worker and community transition	70,500	61,159
Fissile materials disposition	99,451	99,451
Program direction - MD	4,345	4,345
Subtotal, Fissile materials disposition	103,796	103,796
Nuclear energy (Defense)		
Nuclear technology research and development:		
Electrometallurgical program	25,000	12,000
International nuclear safety:		
Soviet designed reactors	50,000	35,000
Nuclear security: Spent fuel management	4,000	---
Chornobyl shutdown initiative	2,000	---
Subtotal, Nuclear energy (Defense)	81,000	47,000
Office of hearings and appeals	2,685	2,300
Total, Other national security programs	979,981	966,555

Department of Energy (in thousands)

	Budget Estimate	Conference
Independent assessment of DOE projects	---	35,000
Naval reactors		
Naval reactors development	605,920	635,920
Construction		
98-D-200 Site laboratory facility upgrade, various locations 1/	1,200	5,700
97-D-201 Advanced test reactor secondary coolant system refurbishment, INEL, ID 1/	4,600	4,600
95-D-200 Laboratory systems and hot cell upgrades, various locations 1/	1,100	1,100
90-N-102 Expended core facility dry cell project, Naval Reactors Facility, ID 1/	14,900	3,100
Subtotal, Construction	21,800	14,500
Subtotal, Naval reactors development	627,720	650,420
Program direction	20,080	20,080
Total, Naval reactors	647,800	670,500
Subtotal, Other defense activities	1,627,781	1,672,055
Use of prior year balances	---	-6,047
TOTAL, OTHER DEFENSE ACTIVITIES	1,627,781	1,666,008
(Defense asset acquisitions)	(21,800)	---
(Other defense activities)	(1,605,981)	(1,666,008)

Department of Energy (in thousands)

	Budget Estimate	Conference
DEFENSE NUCLEAR WASTE DISPOSAL		
Defense nuclear waste disposal	190,000	190,000
TOTAL, ATOMIC ENERGY DEFENSE ACTIVITIES	13,597,594	11,522,938
(Defense asset acquisitions)	(2,166,859)	---
(Atomic energy defense activities)	(11,430,735)	(11,522,938)
POWER MARKETING ADMINISTRATIONS		
ALASKA POWER ADMINISTRATION		
Operation and maintenance/program direction	1,000	3,500
Capital assets acquisition	---	10,000
SOUTHEASTERN POWER ADMINISTRATION		
Operation and maintenance		
Operation and maintenance/program direction	4,313	4,313
Purchase power and wheeling	11,909	11,909
Subtotal, Operation and maintenance	16,222	16,222
Use of prior year balances	-2,000	-4,000
TOTAL, SOUTHEASTERN POWER ADMINISTRATION	14,222	12,222
SOUTHWESTERN POWER ADMINISTRATION		
Operation and maintenance		
Operating expenses	2,382	2,382
Purchase power and wheeling	57	57
Program direction	17,309	17,309
Construction	6,752	6,752
Subtotal, Operation and maintenance	26,500	26,500
Use of prior year balances	---	-1,290
TOTAL, SOUTHWESTERN POWER ADMINISTRATION	26,500	25,210

Department of Energy (in thousands)

	Budget Estimate	Conference
WESTERN AREA POWER ADMINISTRATION		
Operation and maintenance		
Construction and rehabilitation	24,243	24,243
System operation and maintenance	39,246	39,246
Purchase power and wheeling	54,886	54,886
Program direction	106,157	106,157
Utah mitigation and conservation	5,432	5,432
Subtotal, Operation and maintenance	229,964	229,964
Use of prior year balances	-35,630	-40,921
Transfer of authority from Department of Interior	---	5,592
TOTAL, WESTERN AREA POWER ADMINISTRATION	194,334	189,043
FALCON AND AMISTAD OPERATING AND MAINTENANCE FUND		
Operation and maintenance	1,065	970
TOTAL, POWER MARKETING ADMINISTRATIONS	237,121	240,945
FEDERAL ENERGY REGULATORY COMMISSION		
Federal energy regulatory commission	167,577	162,141
FERC revenues	-167,577	-162,141
TOTAL, FEDERAL ENERGY REGULATORY COMMISSION	---	---
NUCLEAR WASTE DISPOSAL FUND		
Discretionary funding	190,000	160,000
GRAND TOTAL, DEPARTMENT OF ENERGY	18,433,515	15,898,574

1/ The Request for this account was $2,999,497. The lower totals shown for the Request and prior year reflect Committee recommendation to combine certain functions of the Office of Energy Research with General Science and Research in a new account, General Science and Other Research Activities, and to create a separate account for Non-Defense Environmental Management.

TITLE IV

INDEPENDENT AGENCIES

APPALACHIAN REGIONAL COMMISSION

The conference agreement appropriates $170,000,000 instead of $160,000,000 as proposed by both the House and the Senate. The agreement includes $92,500,000 for the highway development program. In addition, the agreement includes $10,000,000 for ARC highways, to be allocated at the discretion of the ARC Federal Co-Chairman.

DEFENSE NUCLEAR FACILITIES SAFETY BOARD

The conference agreement appropriates $17,000,000 for the Defense Nuclear Facilities Safety Board instead of $16,000,000 as proposed by the House and $17,500,000 as proposed by the Senate.

NUCLEAR REGULATORY COMMISSION

SALARIES AND EXPENSES

The conference agreement includes $468,000,000, instead of $462,700,000 as proposed by the House and $476,500,000 as proposed by the Senate. The conferees have provided $15,000,000, to be derived from the Nuclear Waste Fund, for the Commission's ongoing work to characterize Yucca Mountain as a potential site for a permanent nuclear waste repository. The conference agreement also includes $2,000,000, the amount provided by the House and Senate, for activities related to commercial vitrification at the Hanford site and $1,000,000, as provided by the House, for activities related to independent oversight of certain Department of Energy nuclear facilities.

OFFICE OF INSPECTOR GENERAL

The conference agreement includes $4,800,000, the same amount provided by the House and Senate.

NUCLEAR WASTE TECHNICAL REVIEW BOARD

The conference agreement appropriates $2,600,000 instead of $2,400,000 as proposed by the House and $3,200,000 as proposed by the Senate.

TENNESSEE VALLEY AUTHORITY

The conference agreement includes $70,000,000 instead of $0 as proposed by the House and $86,000,000 as proposed by the Senate. The conference agreement includes language earmarking $6,900,000 for Land Between the Lakes. The agreement includes language proposed by the House providing for direct funding by TVA of its nonpower programs, amended to delay its implementation until fiscal year 1999.

The conferees accept the Administration's proposal to terminate appropriated funding for TVA after fiscal year 1998.

It is the view of the conferees that the environmental, stewardship, and economic development activities of the TVA have been of tremendous benefit to the Tennessee Valley region and have contributed substantially to the general prosperity of the country. It is possible, however, that other entities may be well suited to perform the vital public services currently provided by TVA.

Accordingly, the Director of the Office of Management and Budget should undertake a review of the nonpower functions of the TVA to determine whether TVA or some other entity should be responsible for their continued execution. A report based on this review should accompany the fiscal year 1999 budget submission to Congress.

The conferees direct that from non-appropriated funds, TVA shall relocate power lines in the area of the lake development proposed by Union County, Mississippi. The conferees also expect TVA to assist in the preparation of environmental impact statements where necessary.

TITLE V

GENERAL PROVISIONS

SEC. 501. The conference agreement includes a provision proposed by the House in title III of the bill that none of the funds in this Act or any prior appropriations Act may be used in any way, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before Congress, other than to communicate to Members of Congress as described in section 1913 of title 18, United States Code. The conferees direct each agency or department to notify the House and Senate Committee on Appropriations by January 15, 1998, of the actions taken to apprise its Federal and contractor employees of this provision.

SEC. 502. The conference agreement includes language proposed by both the House and Senate regarding the purchase of American-made equipment and products, and prohibiting contracts with persons falsely labeling products as made in America.

SEC. 503. The conference agreement includes language proposed by the House prohibiting the award of funds to institutions not in compliance with certain requirements regarding campus access for units of the Senior Reserve Officer Training Corps and Federal military recruitment personnel.

SEC. 504. The conference agreement includes language proposed by the House prohibiting the use of funds to enter into or renew contracts with entities failing to comply with statutory reporting requirements concerning the employment of certain veterans.

SEC. 505. The conference agreement includes language proposed by the House which provides that none of the funds made available by this Act may be used for the Animas-La Plata project in Colorado and New Mexico except for activities required to comply with the applicable provisions of current law and the continuation of activities pursuant to the Colorado Ute Indian Water Rights Settlement Act of 1988.

SEC. 506. The conference agreement includes language proposed by the Senate which clarifies that the Albuquerque Metropolitan Area Water Reclamation and Reuse project is eligible for construction under Title XVI of the Reclamation Projects Authorization and Adjustment Act of 1992, Public Law 102-575, as amended. The language has been amended to make technical corrections.

SEC. 507. The conference agreement includes language proposed by the Senate which amends the Yavapai-Prescott Indian Treaty Settlement Act of 1994 to increase the appropriations ceiling for the Chandler Pumping Plant feature of the Yakima River Basin Water Enhancement Project.

SEC. 508. The conference agreement includes language proposed by the Senate regarding the construction of recreational features at the Stonewall Jackson Lake project in West Virginia.

SEC. 509. The conference agreement includes a provision allowing the United States Enrichment Corporation (USEC) to transfer funds to the Department of Energy to be used for development and demonstration of the Atomic Vapor Laser Isotope Separation (AVLIS) technology for uranium enrichment. The funds to be transferred are to be derived from savings achieved by the USEC during fiscal year 1998, and the total amount obligated by the Department may not exceed $60,000,000.

This provision will permit continued development of the AVLIS technology until the Corporation is sold. The provision is necessitated by the Administration's inability to sell the Corporation in accordance with the Administration's own schedule. Within 30 days of enactment of this Act, the Secretary of the Treasury is to provide to the Committees on Appropriations a report on the issues that must be resolved prior to sale of the Corporation and the date on which the Corporation will be sold.

SEC. 510. The conference agreement includes language which provides that none of the funds made available by this Act may be used to determine the final point of discharge for the interceptor drain for the San Luis Unit of the Central Valley project until development by the Secretary of the Interior and the State of California of a plan, which shall conform to the water quality standards of the State of California as approved by the Administrator of the Environmental Protection Agency, to minimize any detrimental effect of the San Luis drainage waters. The language also provides that the costs of the Kesterson Reservoir Cleanup Program and the San Joaquin Valley Drainage Program shall be classified as reimbursable or non-reimbursable by the Secretary of the Interior as described in the Bureau of Reclamation report entitled, "Repayment Report, Kesterson Reservoir Cleanup Program and San Joaquin Valley Drainage Program, February 1995" and that any future obligation of funds for drainage service or drainage studies for the San Luis Unit shall be fully reimbursable by San Luis Unit beneficiaries pursuant to Reclamation law.

SEC. 511. The conference agreement includes language amending the USEC Privatization Act to require the presence of an adequate number of security guards carrying sidearms to ensure maintenance of security at the gaseous diffusion plants.

SEC. 512. High Flux Beam Reactor (HFBR) at Brookhaven National Laboratory—The conference agreement includes bill language prohibiting the use of funds in this or any other Act for the purpose of restarting the High Flux Reactor (HFBR). In fiscal year 1998, the Department of Energy is directed to drain the spent fuel pool, and may add a steel wall liner to the pool so that additional radioactive material may be removed without the threat of leakage. The Department of Energy is also directed to meet the requirements outlined in Suffolk County Sanitary Code Article 12, complete seismic upgrades, and seal the floor drain.

The Department of Energy is also directed to undertake an environmental impact statement (EIS) with respect to the HFBR. The conferees expect that the EIS will be a comprehensive survey of any environmental hazards that the tritium leak or other contamination associated with the HFBR pose to the drinking water and health of the people in the surrounding communities, and that it will provide a detailed plan for remediation. The findings of the EIS and a plan for any necessary remediation shall be reported to Congress.

Provisions not adopted by the conferees

The conference agreement deletes language proposed by the Senate that authorized the Secretary of the Interior to use funds appropriated for the Bureau of Reclamation to enter into cooperative agreements with willing private landowners for restoration and enhancement of fish, wildlife, and other resources on public or private land within watersheds that contain Bureau of Reclamation projects.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1998 recommended by the Committee of Conference, with comparisons to the fiscal year 1997 amount, the 1998 budget estimates, and the House and Senate bills for 1998 follow:

New budget (obligational) authority, fiscal year 1997	$20,990,027,000
Budget estimates of new (obligational) authority, fiscal year 1998	23,047,903,000
House bill, fiscal year 1998	20,416,989,000
Senate bill, fiscal year 1998	21,209,623,000
Conference agreement, fiscal year 1998	21,152,202,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1997	+162,175,000
Budget estimates of new (obligational) authority, fiscal year 1998	−1,895,701,000
House bill, fiscal year 1998	+735,213,000
Senate bill, fiscal year 1998	−57,421,000

JOSEPH MCDADE,
HAROLD ROGERS,
JOE KNOLLENBERG,
R. P. FRELINGHUYSEN,
MIKE PARKER,
SONNY CALLAHAN,
JAY DICKEY,
BOB LIVINGSTON,
VIC FAZIO,
PETER J. VISCLOSKY,
CHET EDWARDS,
ED PASTOR,
DAVID R. OBEY,
Managers on the Part of the House.
PETE V. DOMENICI,
THAD COCHRAN,
SLADE GORTON,
MITCH MCCONNELL,
ROBERT E. BENNETT,
CONRAD BURNS,
LARRY CRAIG,
TED STEVENS,
HARRY REID,
ROBERT C. BYRD,
FRITZ HOLLINGS,
PATTY MURRAY,
HERB KOHL,
BYRON L. DORGAN,
DANIEL K. INOUYE,
Managers on the Part of the Senate.

REQUEST FOR CONSIDERATION OF H.R. 2183, BIPARTISAN CAMPAIGN FINANCE REFORM

Mr. DOGGETT. Mr. Speaker, in this spirit here this morning of bipartisan cooperation, I ask unanimous consent to take up and consider H.R. 2183, the bipartisan campaign finance bill that the gentleman from Maine [Mr. ALLEN] and the gentleman from Arkansas [Mr. HUTCHINSON] and all of our freshmen have joined in.

The SPEAKER. Under the Speaker's announced guidelines, it requires the leaders of both parties and the chairman and ranking member of the committee of jurisdiction to approve that request. The gentleman is not recognized, but the Chair appreciates his bipartisan-spirited tone.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1998

The SPEAKER. Pursuant to House Resolution 239 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2267.

□ 0920

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2267) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1998, and for other purposes, with Mr. NUSSLE, Chairman pro tempore, in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole House rose on Thursday, September 25, 1997, the bill was open for amendment from page 90, line 15, through page 90, line 23.

Are there any amendments to this portion of the bill?

If not, the Clerk will read.

The Clerk read as follows:

MARITIME SECURITY PROGRAM

For necessary expenses to maintain and preserve a U.S.-flag merchant fleet to serve the national security needs of the United States, $35,500,000, to remain available until expended.

OPERATIONS AND TRAINING

For necessary expenses of operations and training activities authorized by law, $65,000,000: *Provided*, That reimbursements may be made to this appropriation from receipts to the "Federal Ship Financing Fund" for administrative expenses in support of that program in addition to any amount heretofore appropriated.

MARITIME GUARANTEED LOAN (TITLE XI) PROGRAM ACCOUNT

For the cost of guaranteed loans, as authorized by the Merchant Marine Act, 1936, $35,000,000, to remain available until expended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $1,000,000,000.

In addition, for administrative expenses to carry out the guaranteed loan program, not to exceed $3,450,000, which shall be transferred to and merged with the appropriation for Operations and Training.

ADMINISTRATIVE PROVISIONS—MARITIME ADMINISTRATION

Notwithstanding any other provision of this Act, the Maritime Administration is authorized to furnish utilities and services and make necessary repairs in connection with any lease, contract, or occupancy involving Government property under control of the Maritime Administration, and payments received therefor shall be credited to the appropriation charged with the cost thereof: *Provided*, That rental payments under any such lease, contract, or occupancy for items other than such utilities, services, or repairs shall be covered into the Treasury as miscellaneous receipts.

No obligations shall be incurred during the current fiscal year from the construction fund established by the Merchant Marine Act, 1936, or otherwise, in excess of the appropriations and limitations contained in this Act or in any prior appropriation Act, and all receipts which otherwise would be deposited to the credit of said fund shall be covered into the Treasury as miscellaneous receipts.

COMMISSION FOR THE PRESERVATION OF AMERICA'S HERITAGE ABROAD

SALARIES AND EXPENSES

For expenses for the Commission for the Preservation of America's Heritage Abroad, $250,000, as authorized by Public Law 99–83, section 1303.

COMMISSION ON CIVIL RIGHTS

SALARIES AND EXPENSES

For necessary expenses of the Commission on Civil Rights, including hire of passenger motor vehicles, $8,740,000: *Provided*, That not to exceed $50,000 may be used to employ consultants: *Provided further*, That none of the funds appropriated in this paragraph shall be used to employ in excess of four full-time individuals under Schedule C of the Excepted Service exclusive of one special assistant for each Commissioner: *Provided further*, That none of the funds appropriated in this paragraph shall be used to reimburse Commissioners for more than 75 billable days, with the exception of the Chairperson who is permitted 125 billable days.

COMMISSION ON IMMIGRATION REFORM

SALARIES AND EXPENSES

For necessary expenses of the Commission on Immigration Reform pursuant to section 141(f) of the Immigration Act of 1990, $496,000, to remain available until expended.

COMMISSION ON SECURITY AND COOPERATION IN EUROPE

SALARIES AND EXPENSES

For necessary expenses of the Commission on Security and Cooperation in Europe, as authorized by Public Law 94–304, $1,090,000, to remain available until expended as authorized by section 3 of Public Law 99–7.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Equal Employment Opportunity Commission as authorized by title VII of the Civil Rights Act of 1964, as amended (29 U.S.C. 206(d) and 621–634), the Americans with Disabilities Act of 1990, and the Civil Rights Act of 1991, including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles as authorized by 31 U.S.C. 1343(b); non-monetary awards to private citizens; and not to exceed $27,500,000 for payments to State and local enforcement agencies for services to the Commission pursuant to title VII of the Civil Rights Act of 1964, as amended, sections 6 and 14 of the Age Discrimination in Employment Act, the Americans with Disabilities Act of 1990, and the Civil Rights Act of 1991; $239,740,000: *Provided*, That the Commission is authorized to make available for official reception and representation expenses not to exceed $2,500 from available funds.

FEDERAL COMMUNICATIONS COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Communications Commission, as authorized by law, including uniforms and allowances therefor, as authorized by 5 U.S.C. 5901–02; not to exceed $600,000 for land and structure; not to exceed $500,000 for improvement and care of grounds and repair to buildings; not to exceed $4,000 for official reception and representation expenses; purchase (not to exceed 16) and hire of motor vehicles; special counsel fees; and services as authorized by 5 U.S.C. 3109; $187,079,000, of which not to exceed $300,000 shall remain available until September 30, 1999, for research and policy studies: *Provided*, That $152,523,000 of offsetting collections shall be assessed and collected pursuant to section 9 of title I of the Communications Act of 1934, as amended, and shall be retained and used for necessary expenses in this appropriation, and shall remain available until expended: *Provided further*, That the sum herein appropriated shall be reduced as such offsetting collections are received during fiscal year 1998 so as to result in a final fiscal year 1998 appropriation estimated at $34,556,000: *Provided further*, That any offsetting collections received in excess of $152,523,000 in fiscal year 1998 shall remain available until expended, but shall not be available for obligation until October 1, 1998.

FEDERAL MARITIME COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Maritime Commission as authorized by section 201(d) of the Merchant Marine Act of 1936, as amended (46 App. U.S.C. 1111), including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles as authorized by 31 U.S.C. 1343(b); and uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–02; $13,500,000: *Provided*, That not to exceed $2,000 shall be available for official reception and representation expenses.

FEDERAL TRADE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Trade Commission, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; and not to exceed $2,000 for official reception and representation expenses; $95,000,000: *Provided*, That not to exceed $300,000 shall be available for use to contract with a person or persons for collection services in accordance with the terms of 31 U.S.C. 3718, as amended: *Provided further*, That notwithstanding any other provision of law, not to exceed $70,000,000 of offsetting collections derived from fees collected for premerger notification filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (15 U.S.C. 18(a)) shall be retained and used for necessary expenses in this appropriation, and shall remain available until expended: *Provided further*, That the sum herein appropriated from the General Fund shall be reduced as such offsetting collections are received during fiscal year 1998, so as to result in a final fiscal year 1998 appropriation from the General Fund estimated at not more than $25,000,000, to remain available until expended: *Provided further*, That any fees received in excess of $70,000,000 in fiscal year 1998 shall remain available until expended, but shall not be available for obligation until October 1, 1998: *Provided further*, That none of the funds made available to the Federal Trade Commission shall be available for obligation for expenses authorized by section 151 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (Public Law 102–242, 105 Stat. 2282–2285).

LEGAL SERVICES CORPORATION

PAYMENT TO THE LEGAL SERVICES CORPORATION

For payment to the Legal Services Corporation to carry out the purposes of the Legal Services Corporation Act of 1974, as amended, $141,000,000, of which $134,575,000 is for basic field programs and required independent audits; $1,125,000 is for the Office of Inspector General, of which such amounts as may be necessary may be used to conduct additional audits of recipients; and $5,300,000 is for management and administration.

ADMINISTRATIVE PROVISION—LEGAL SERVICES CORPORATION

SEC. 501. (a) CONTINUATION OF COMPETITIVE SELECTION PROCESS.—None of the funds appropriated in this Act to the Legal Services Corporation may be used to provide financial assistance to any person or entity except through a competitive selection process conducted in accordance with regulations promulgated by the Corporation in accordance with the criteria set forth in subsections (c), (d), and (e) of section 503 of Public Law 104–134 (110 Stat. 1321–52 et seq.).

(b) INAPPLICABILITY OF CERTAIN PROCEDURES.—Sections 1007(a)(9) and 1011 of the Legal Services Corporation Act (42 U.S.C. 2996f(a)(9) and 2996j) shall not apply to the provision, denial, suspension, or termination of any financial assistance using funds appropriated in this Act.

(c) ADDITIONAL PROCEDURES.—If, during any term of a grant or contract awarded to a recipient by the Legal Services Corporation under the competitive selection process referred to in subsection (a) and applicable Corporation regulations, the Corporation finds, after notice and opportunity for the recipient to be heard, that the recipient has failed to comply with any requirement of the Legal Services Corporation Act (42 U.S.C. 2996 et seq.), this Act, or any other applicable law relating to funding for the Corporation, the Corporation may terminate the grant or contract and institute a new competitive selection process for the area served by the recipient, notwithstanding the terms of the recipient's grant or contract.

SEC. 502. (a) CONTINUATION OF REQUIREMENTS AND RESTRICTIONS.—None of the funds appropriated in this Act to the Legal Services Corporation shall be expended for any purpose prohibited or limited by, or contrary to any of the provisions of—

(1) sections 501, 502, 505, 506, and 507 of Public Law 104–134 (110 Stat. 1321–51 et seq.), and all funds appropriated in this Act to the Legal Services Corporation shall be subject to the same terms and conditions as set forth in such sections, except that all references in such sections to 1995 and 1996 shall be deemed to refer instead to 1997 and 1998, respectively; and

(2) section 504 of Public Law 104–134 (110 Stat. 1321–53 et seq.), and all funds appropriated in this Act to the Legal Services Corporation shall be subject to the same terms and conditions set forth in such section, except that—

(A) subsection (c) of such section 504 shall not apply;

(B) paragraph (3) of section 508(b) of Public Law 104–134 (110 Stat. 1321–58) shall apply with respect to the requirements of subsection (a)(13) of such section 504, except that all references in such section 508(b) to the date of enactment shall be deemed to refer to April 26, 1996; and

(C) subsection (a)(11) of such section 504 shall not be construed to prohibit a recipient from using funds derived from a source other than the Corporation to provide related legal assistance to—

(i) an alien who has been battered or subjected to extreme cruelty in the United States by a spouse or a parent, or by a member of the spouse's or parent's family residing in the same household as the alien and the spouse or parent consented or acquiesced to such battery or cruelty; or

(ii) an alien whose child has been battered or subjected to extreme cruelty in the United States by a spouse or parent of the alien (without the active participation of the alien in the battery or extreme cruelty), or by a member of the spouse's or parent's family residing in the same household as the alien and the spouse or parent consented or acquiesced to such battery or cruelty, and the alien did no actively participate in such battery or cruelty.

(b) DEFINITIONS.—For purposes of subsection (a)(2)(C):

(1) The term "battered or subjected to extreme cruelty" has the meaning given such term under regulations issued pursuant to subtitle G of the Violence Against Women Act of 1994 (Pub. L. 103–322; 108 Stat. 1953).

(2) The term "related legal assistance" means legal assistance directly related to the prevention of, or obtaining of relief from, the battery or cruelty described in such subsection.

SEC. 503. (a) CONTINUATION OF AUDIT REQUIREMENTS.—The requirements of section 509 of Public Law 104–134 (110 Stat. 1321–58 et seq.), other than subsection (l) of such section, shall apply during fiscal year 1998.

(b) REQUIREMENT OF ANNUAL AUDIT.—An annual audit of each person or entity receiving financial assistance from the Legal Services Corporation under this Act shall be conducted during fiscal year 1998 in accordance with the requirements referred to in subsection (a).

SEC. 504. (a) DEBARMENT.—The Legal Services Corporation may debar a recipient, on a showing of good cause, from receiving an additional award of financial assistance from the Corporation. Any such action to debar a recipient shall be instituted after the Corporation provides notice and an opportunity for a hearing to the recipient.

(b) REGULATIONS.—The Legal Services Corporation shall promulgate regulations to implement this section.

(c) GOOD CAUSE.—In this section, the term "good cause", used with respect to debarment, includes—

(1) prior termination of the financial assistance of the recipient, under part 1640 of title 45, Code of Federal Regulations (or any similar corresponding regulation or ruling);

(2) prior termination in whole, under part 1606 of title 45, Code of Federal Regulations (or any similar corresponding regulation or ruling), of the most recent financial assistance received by the recipient, prior to date of the debarment decision;

(3) substantial violation by the recipient of the statutory or regulatory restrictions that prohibit recipients from using financial assistance made available by the Legal Services Corporation or other financial assistance for purposes prohibited under the Legal Services Corporation Act (42 U.S.C. 2996 et seq.) or for involvement in any activity prohibited by, or inconsistent with, section 504 of Public Law 104–134 (110 Stat. 1321–53 et seq.), section 502(a)(2) of Public Law 104–208 (110 Stat. 3009–59 et seq.), or section 502(a)(2) of this Act;

(4) knowing entry by the recipient into a subgrant, subcontract, or other agreement with an entity that had been debarred by the Corporation; or

(5) the filing of a lawsuit by the recipient, on behalf of the recipient, as part of any program receiving any Federal funds, naming the Corporation, or any agency or employee of a Federal, State, or local government, as a defendant.

Mr. ROGERS (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of the bill through page 104, line 2, be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

AMENDMENT OFFERED BY MR. BURTON OF INDIANA

Mr. BURTON of Indiana. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

On page 104, after line 2, insert the following new section:

SEC. 505. (a) Not later than January 1, 1998, the Legal Services Corporation shall implement a system of case information disclosure which shall apply to all basic field programs which receive funds from the Legal Services Corporation from funds appropriated in this Act.

(b) Any basic field program which receives Federal funds from the Legal Services Corporation from funds appropriated in this Act must disclose to the public in written form, upon request, and to the Legal Services Corporation in semiannual reports, the following information about each case filed by its attorneys in any court:

(1) The name and full address of each party to the legal action unless such information is protected by an order or rule of a court or by State or Federal law or revealing such information would put the client of the recipient of such Federal funds at risk of physical harm.

(2) The cause of action in the case.

(3) The name and address of the court in which the case was filed and the case number assigned to the legal action.

(c) The case information disclosed in semiannual reports to the Legal Services Corporation shall be subject to disclosure under section 552 of title 5, United States Code.

The CHAIRMAN. Pursuant to House Resolution 239, the gentleman from Indiana [Mr. BURTON], and a Member opposed, each will control 15 minutes.

The Chair recognizes the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the purpose of my amendment is to require programs funded by the Legal Services Corporation to disclose to the public and the LSC the most basic information about litigation in which LSC grantees are involved. I thought we had agreement on this. The gentleman from Pennsylvania [Mr. FOX], who is one of the proponents of the Legal Services Corporations, and I had some lengthy discussions about this, and I thought the amendment had been agreed to, but the gentleman from West Virginia [Mr. MOLLOHAN], I understand, has some opposition, so we will probably have to get into a somewhat lengthy debate.

The information that would be disclosed would be the name and the address of each party, the legal action, the cause of action, the name and address of the court in which the case is filed, and the case number assigned to the legal action. In those instances where an address and name are not disclosed for reasons of security, such as in the case of a battered wife or where children are abused, that information would not be disclosed because it is not currently disclosed, even though it is in the records in the courts.

This basic information is not privileged, and as I said before, such information is on file currently in court records. Nothing disclosed would be in violation of the attorney-client privilege, and it is important to note that my amendment does not disclose any information that is not already public information. My amendment simply makes accessible what is highly unaccessible right now.

Case disclosure will not be burdensome. According to the LSC budget request for fiscal year 1998, only 8 percent of the Legal Services caseload is litigated, requiring public disclosure. Basic information about the case being litigated would not constitute a burden on the resources of local programs.

Now, here is why the amendment is needed, and I hope all of my colleagues are paying attention. Public disclosure of Government-funded activities is essential for honest, open Government. Other Government programs are subject to a variety of public disclosure requirements; for example, the Federal Election Commission. While the LSC is subject to the Freedom of Information Act and other disclosure requirements, it is approximately 280 grantees that expend 97 percent of the LSC budget are not subject to the Freedom of Information Act. Given the large number of controversial and abusive cases that have been associated with the LSC over the past several years, in violation of congressional mandates, disclosure of cases would let the sun shine on the everyday work of the LSC.

The LSC was funded at $283 million in 1997 over the objections of many of us. What kind of assurances does Congress get that the LSC is following guidelines and restrictions?

□ 0930

The answer is clearly none. The American people want to know what their taxpayers' dollars are being spent on. As I said before, we are going to protect those who would be in jeopardy, such as battered children or wives.

The LSC has not reformed itself and continues to disregard congressional intent. So I think this is a good amendment. I thought we had bipartisan support for it. Evidently we do have some objections.

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

The CHAIRMAN. Is the gentleman from West Virginia [Mr. MOLLOHAN] opposed to the amendment?

Mr. MOLLOHAN. Yes, Mr. Chairman. I am opposed to the amendment.

The CHAIRMAN. The gentleman from West Virginia [Mr. MOLLOHAN] is recognized for 15 minutes.

Mr. MOLLOHAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, at best this amendment is unnecessary. I am advised by the Legal Services Corporation that it is extremely burdensome and costly. Some of the privacy concerns that many had with regard to this amendment originally, some had been addressed by the gentleman, and I would be pleased to look at those as the process moves forward, and particularly in conference.

But at this point, Mr. Chairman, the changes in the reporting system would be costly. The amendment does not address any identified problem, really, nor does it serve any specific purpose. It costs a considerable amount. We appreciate his addressing some of the other concerns, but just because of the unnecessariness, we have a tight budget, and this has put additional administrative burdens, something that the gentleman has fought against for many years, putting paperwork burdens, administrative burdens on people. That is what this really does, representing a considerable additional cost. On that basis, Mr. Chairman, I have to at this point oppose the amendment.

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

Mr. BURTON of Indiana. Mr. Chairman, I yield 2 minutes to the gentleman from Kentucky [Mr. ROGERS].

Mr. ROGERS. Mr. Chairman, I appreciate the gentleman yielding time to me.

Mr. Chairman, I have no objection to the gentleman's amendment. It is my understanding that the amendment requires disclosure only of information that is already a matter of public record under court rules or applicable Federal or State law. I believe the amendment will merely facilitate appropriate oversight of federally funded LSC grantees. In fact, I appreciate the gentleman bringing this matter to our attention, and I am glad to support the amendment.

Mr. MOLLOHAN. Mr. Chairman, I yield 3 minutes to my distinguished colleague, the gentleman from Colorado [Mr. SKAGGS], a member of the committee.

Mr. SKAGGS. I thank the gentleman for yielding me the time, Mr. Chairman.

Mr. Chairman, I am still just confounded by what practical difference the gentleman believes his amendment will make.

If we are talking about oversight, we already have a requirement and generally administrative practice on the part of Legal Services Corp. grantees to track the kinds of cases that they are involved in. The gentleman's amendment takes that a step further. That gives names and addresses of plaintiffs and defendants, as well as other case file information which is public information, if we want to go to the court and dig it out, as the gentleman knows.

But to require the expenditure of additional time and resources to an already strapped program in order to pull this information together, which will add nothing to our oversight capabilities, but will make susceptible to invasions of privacy inappropriate efforts by any number of likely people who want to exploit this kind of address list, I really do not understand what the gentleman believes he is going to accomplish by this, other than further burdening the people that are trying to provide legal services.

The gentleman signed, along with several of his colleagues, a "Dear Colleague" a few days ago laying out three particularly, by his lights, I gather, egregious cases. The facts in all of those cases I think have been substantially rebutted by the realities that were involved and that necessitated Legal Services' intervention.

I would ask the gentleman from Indiana [Mr. BURTON], what will we learn from this that we do not already know that will make a difference in appropriate oversight?

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. SKAGGS. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, I did not hear the gentleman, and would ask him to repeat his question, if he would.

Mr. MOLLOHAN. Mr. Chairman, the question is, What will we learn if this amendment becomes law that we do not already know, that will make a real difference in our ability to do oversight of the Legal Services Corp.?

Mr. BURTON of Indiana. The situation right now is if we want information, we have two choices. We can go through all the court records, as the gentleman just mentioned, which is a very cumbersome task, or we can go to the Federal LSC offices. Only 8 percent of the cases are really divulged by the LSC. That means 92 percent are not. They already have those records at the local LSC office. We put protections in there for the battered wives and so forth.

Mr. SKAGGS. Reclaiming my time, the gentleman has not responded to my inquiry. We already have information at each LSC grantee of the types of cases they have done. The gentleman's amendment adds names, addresses, case numbers to that.

What additional value is there in this information that is not already available to either Members of Congress or our staff or LSC corporate auditors, that justifies the additional significant expense and computer programming and administrative costs that will be imposed?

Mr. BURTON of Indiana. First of all, I do not think there will be any additional expenses. The records are already there.

Mr. SKAGGS. Reclaiming my time——

Mr. BURTON of Indiana. I will answer the gentleman's question, but he obviously does not want to hear.

Mr. SKAGGS. I do want to hear.

Mr. BURTON of Indiana. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, the thrust of this amendment is to bring more accountability, and I stress that word, accountability, to the Members of Congress, and therefore to the American people, of the workings of the Legal Services entities in the various communities across the Nation.

In the last 20 years we have heard anecdote after anecdote about the kinds of abuses that have been foisted upon the American public by the Legal Services Corp. and entities in the local communities.

Now, the proponents always say, they are just anecdotes. If we pile up the anecdotes we have an entire encyclopedia. Therefore, they become worrisome and repetitive across the Nation.

One egregious example that should have the American people sit up and take notice is the following. If legal services was set up to help low-income poor people, as it was, I support that, and I favor that. Every move that I have made in Congress as chairman of the subcommittee in charge of this has been to preserve legal services for the poor.

If that be the case, then understand this example. We have housing authorities across the Nation who are aided and abetted in their work for their tenants by tenants' associations, tenants' groups. Those are tenants' groups made up of low-income resident people of the low-income housing areas.

When they get together and complain that legal services is thwarting their tenants' objectives in trying to evict drug dealers, these are low-income people who are victims of the legal services intervention to try to protect a drug dealer tenant against a majority of tenants who are low-income poor people, who dread the presence of a drug dealer.

That means to me that that kind of anecdote, which cannot be dismissed because it is happening across the Nation, is the kind of case that can be prevented if we have full accountability. If we would know, as Members of Congress, at the outset that a legal services entity is committing itself to the representation of a drug dealer tenant against low-income people, against poor people, against low-income tenants who need legal services to preserve their housing area free from drug dealers, then how can anyone doubt that we need more accountability?

The gentleman from West Virginia [Mr. MOLLOHAN] just a while ago said it is unnecessary to have this, meaning that he favors accountability, and he believes that accountability in its present status is enough.

I say that if we pass the gentleman's amendment as it stands now on the floor, all we do is crystalize what the gentleman from West Virginia says already exists, and furthermore, allows reporting to the Members of Congress of what goes on on a daily basis in the legal services community.

Mr. SKAGGS. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from Colorado.

Mr. SKAGGS. Mr. Chairman, whatever the merits of the argument the gentleman has just made, the Burton amendment will not address them. It has nothing to do with the points the gentleman made.

Mr. GEKAS. Yes, it does. It brings the Congress into full acknowledgment of what is happening in the local communities. If there is additional reporting required by the Burton amendment, which in fact there is additional reporting, then we are all the better for it, and the abuses that have been piling up for 20 years could begin to dwindle, at least if the present status of legal services is to be continued.

Mr. MOLLOHAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, in response to the gentleman from Pennsylvania's representations about my position here, this may be a bit of role reversal, but we are arguing for less paperwork and less administrative responsibility here because this information is already available, virtually. So the gentleman is correct, except we are opposing the amendment simply on the basis that it is unnecessary. It does not do anything, so why do this?

Mr. Chairman, I yield 6 minutes to the gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. Mr. Chairman, if I could continue the conversation with the sponsor of the amendment, I was not trying to be difficult. I just ran out of time before.

Mr. Chairman, as I understand it, the gentleman's amendment, in addition to

records that are already required to be kept by a legal services grantee, the gentleman's amendment would require disclosure of the name and address of each party to a legal action. Is that correct?

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. SKAGGS. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, those are already records kept by the local LSC, but not disclosed unless you go through the national LSC.

Mr. SKAGGS. Then the cause of action, that is information collected as a matter of course by legal services grantees now, is that not correct?

Mr. BURTON of Indiana. Yes.

Mr. SKAGGS. The name and address of the court in which the case is filed, is that part of the gentleman's amendment?

Mr. BURTON of Indiana. But it is all kept now by the local LSC. We are not contesting what the gentleman is saying.

Mr. SKAGGS. What more will we be able to do, having all of this additional information collated with new computer programs and so forth, that we cannot now do?

Mr. BURTON of Indiana. The bottom line is this. Many of us feel like we are spending $283 million and that is excessive. We want to help the indigent, everybody does, but we believe there should be more accountability. Even though Congress passed, a couple of years ago, some rules regarding LSC, in the last 2 years there have been violations of those rules. All we want to do is make sure there is accountability.

The bottom line is this, that those records are there. If we could get them from the local LSC instead of going through the paperwork at the national level, we think it would be easier to make sure there is accountability and there are no abuses. We are not asking for anything but more accountability. It is just that simple. The records are there. I do not think it is going to cost anymore than it does already.

Mr. SKAGGS. Reclaiming my time, Mr. Chairman, at least the legal services grantee in metropolitan Denver, realizing that they have not had a whole lot of time to figure out what this would cost, estimates it is probably a $20,000 a year proposition to deal with all of the additional data management and computer changes that are involved.

Given, as the gentleman's comments have indicated, this information is already available, not necessarily pulled together in just the fashion that his amendment would require, it is somewhat bewildering to figure out why we should be spending this additional money.

Mr. Chairman, I assume the real concern that we are trying to address here is that legal services are getting into kinds of cases that are proscribed under the restrictions that are now in law.

Mr. BURTON of Indiana. Yes.

Mr. SKAGGS. That information is now readily available. It does not require names and addresses. That does not add anything to understanding the kinds of cases of either plaintiffs or defendants. It does not require names of courts attached to those kinds of cases. We already know that. It can be gotten at without the additional burdens that gentleman's amendment would impose on these strapped operations.

Mr. BURTON of Indiana. Mr. Chairman, I do not want to prolong the discussion.

Mr. SKAGGS. I do want to prolong it, because we are getting somewhere.

Mr. BURTON of Indiana. This information, if you really want to get it, you can go to the court records, a cumbersome thing, and it takes a lot of time to dig through records that you do not want to go through, or you can go to the national LSC and get it. What I am saying is they can get it from the local LSC.

Mr. SKAGGS. Reclaiming my time, the local operation already keeps records by the kinds of cases they are litigating. If that is the gentleman's concern, that they are getting into kinds of cases that they should not, that information exists.

What additional benefit is it in the gentleman's mind to note names and addresses of plaintiffs and defendants and the address of the court? How can that make any difference in our understanding of the kinds of cases that are being litigated?

□ 0945

Mr. BURTON of Indiana. Mr. Chairman, the bottom line is that more detailed information gives us more of an oversight of the actual operation of the local LSC that may be in violation of the current statutes that we pass here in the Congress, and we know those exist.

Mr. SKAGGS. Reclaiming my time, Mr. Chairman, if we have a class action being brought and that record exists at the local office, what difference does it make to our oversight needs in knowing the names of all the defendants and plaintiffs collected in a different manner than is now the case or where the court happens to be? We have what we need if we know they are doing a kind of case that is not permitted, do we not?

Mr. BURTON of Indiana. The only way we can get the information is to dig through court records or go to the national LSC, and we say we want to go to the local LSC.

Now, actually, we are asking for more information than what the gentleman wants us to have, but we think that is part of the policing effort that is necessary to make sure they are accountable.

Mr. SKAGGS. Reclaiming my time, I am not complaining about the information we need to do oversight. That already exists at the local level.

Mr. BURTON of Indiana. We cannot get it at the local level unless we go through the local LSC.

Mr. SKAGGS. If all the gentleman is concerned about is that they are getting into the kinds of cases the gentleman does not like and that are proscribed, why do we not limit the gentleman's amendment to making sure they have available at the local level an accounting for the kinds of lawsuits being brought, to see whether any of those violate the restrictions?

Why does the gentleman need this other information that will be costly and burdensome for the local legal services operations to put together?

Mr. BURTON of Indiana. We want to make sure. We want to make sure we are covering the waterfront so that there is no problem and they are not covering up something.

Mr. SKAGGS. Reclaiming my time, I think it is transparent. The only reason to go through these extra steps is to be a gratuitous burden on the operation that the gentleman thinks we should not be doing at all.

I think his position is self-evident, although we are trying to dance around other rationales for putting this costly additional burden on these operations, which I think is very regrettable. I hope my colleagues will vote "no."

Mr. BURTON of Indiana. Mr. Chairman, I yield myself 30 seconds.

Let me just say they are not going to be overburdened. The information is already in their files. This makes it easier to police it, though, because the people who want to police LSC do not have to go through the machinations of going to Washington, DC to get the information. They can get it through the local LSC office.

The fact of the matter is the local LSC offices do not really want to give that information out. They have it. It will not be an additional burden. I do not understand the argument.

Mr. Chairman, I yield 3½ minutes to the gentleman from New Jersey [Mr. LOBIONDO].

Mr. LOBIONDO. Mr. Chairman, I thank the gentleman from Indiana for yielding me this time, and I rise in strong support of the amendment by my colleague from Indiana; [Mr. BURTON].

I believe everyone should have access to legal services, but in the case of Legal Services Corp., it is no longer just defending individuals, it is bullying employers, specifically farmers. The Legal Services Corp. is not just representing but it is, instead, prosecuting and twisting the laws originally intended to shield those who need protection, to badger legitimate and honest small business people.

In southern New Jersey we have a thriving agricultural industry, and it is common between employers and employees at times in any arena. And occasionally there is litigation between the farmers and workers over various employment issues. The Legal Services Corp. is there to provide representation for the workers who are often unable financially to secure legal representation on their own.

However, the complaint I frequently hear from the farmers in my district and from my State is that the Legal Services Corp. attorneys pursue such litigation recklessly, with questionable tactics and motives; again, with questionable tactics and motives.

Let me share two examples that occurred in my district. A farmer from Salem County, NJ, settled a multiple plaintiff claim for $500 per worker, the total amount to be put in escrow and distributed by the Legal Services Corp. in Puerto Rico where the plaintiffs lived.

LSC first reported to the farmer there was a $500 surplus which he would get back. Just earlier this year, however, LSC wrote informing him that a man had walked in claiming to have worked for the farmer and was entitled to the $500, just upon that claim of walking in. LSC let the farmer know that he could respond via his attorney within 20 days or the $500 would be given to the plaintiff.

This is insanity. Despite this, the farmer had no record of the claimant ever working for him. It would have cost him more than $500 just to respond through his attorney, so he was forced to allow the distribution and forego the surplus.

Another farmer from Atlanta County, NJ, called the local police to escort a disruptive worker with a weapon off his property. LSC got involved and 2 years later their lawyers filed a claim against the farmer for eviction. This farmer took it to the U.S. Department of Labor arbitration and won. Legal Services Corp. refused to appear at the arbitration. They refused to appear at the arbitration but, instead, pursued a case in court against the farmer and the city.

The case against the farmer is still going on and LSC refuses to settle for less than $11,000. Think about that. After the police escort someone from his home who has threatened him with an ice pick he got sued for eviction.

Unfortunately, Mr. Chairman, these are the kinds of abuses that continuously take place. I strongly support the gentleman's amendment because we have to start to rectify these many problems that are going after by legal services who are targeting farmers of moderate means, farmers of moderate means who are forced into settlements that do not make any sense. This is wrong. It needs to be corrected.

Mr. MOLLOHAN. Mr. Chairman, I yield 1 minute to the gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. Mr. Chairman, I cannot help but observing in response to the prior gentleman's points that they had nothing to do with the substance of the amendment before the House.

Mr. BURTON of Indiana. Mr. Chairman, I yield such time as he may consume to the gentleman from Indiana [Mr. HOSTETTLER].

Mr. HOSTETTLER. Mr. Chairman, I rise in support of the amendment by my colleague from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. FOX].

Mr. FOX of Pennsylvania. Mr. Chairman, I rise to speak on behalf of the Burton amendment, which I believe would create an additional level of assurance that legal services programs are working effectively and responsively.

I want to thank the gentleman from Indiana [Mr. BURTON] for his willingness to work with me to address some of my concerns regarding the language of his original amendment. While we may differ in our views on the need to continue funding for legal services programs, I know we share the same interest in seeing that any federally funded program is efficient, effective, and operates in the sunshine of public scrutiny.

Earlier, during the consideration of this bill, we debated on the adequate funding level for low income legal services. I was pleased the House exercised its will to support by a broad margin a higher funding level than was included in the committee mark. During debate, many Members expressed concerns about the activities of several legal aid agencies around the country. I do not take these concerns lightly, however the charges levied I believe in most, if not all cases, are exaggerated beyond the issue of whether or not they are appropriate in the new environment of the reformed Legal Services Corp.

We must be certain the information provided from this legislation is used responsibly and not to harass the agencies or the clients. I appeal to those who are pressing this amendment and ask that this information not be used to further inflame the rhetoric fostered by outside groups, but that it be used within the proper congressional oversight that should be conducted over every taxpayer's dollar.

I do believe that public exposure can be positive, and I will support the amendment. I continue to have minor concerns about the details and process included in the amendment, however I am hopeful the gentleman from Indiana will give further consideration to these concerns and that we can work them out in conference committee.

Mr. MOLLOHAN. Mr. Chairman, I yield back the balance of my time.

Mr. BURTON of Indiana. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore [Mr. NUSSLE]. The question is on the amendment offered by the gentleman from Indiana [Mr. BURTON].

The amendment was agreed to.

The CHAIRMAN pro tempore. Are there further amendments at this point in the bill?

If not, the Clerk will read.

The Clerk read as follows:

MARINE MAMMAL COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Marine Mammal Commission as authorized by title II of Public Law 92–522, as amended, $1,000,000.

SECURITIES AND EXCHANGE COMMISSION

SALARIES AND EXPENSES

For necessary expenses for the Securities and Exchange Commission, including services as authorized by 5 U.S.C. 3109, the rental of space (to include multiple year leases) in the District of Columbia and elsewhere, and not to exceed $3,000 for official reception and representation expenses, $283,000,000, of which not to exceed $10,000 may be used toward funding a permanent secretariat for the International Organization of Securities Commissions, and of which not to exceed $100,000 shall be available for expenses for consultations and meetings hosted by the Commission with foreign governmental and other regulatory officials, members of their delegations, appropriate representatives and staff to exchange views concerning developments relating to securities matters, development and implementation of cooperation agreements concerning securities matters and provision of technical assistance for the development of foreign securities markets, such expenses to include necessary logistic and administrative expenses and the expenses of Commission staff and foreign invitees in attendance at such consultations and meetings including (1) such incidental expenses as meals taken in the course of such attendance, (2) any travel and transportation to or from such meetings, and (3) any other related lodging or subsistance: *Provided*, That fees and charges authorized by sections 6(b)(4) of the Securities Act of 1933 (15 U.S.C. 77f(b)(4)) and 31(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78ee(d)) shall be credited to this account as offsetting collections: *Provided further*, That not to exceed $249,523,000 of such offsetting collections shall be available until expended for necessary expenses of this account: *Provided further*, That the total amount appropriated for fiscal year 1998 under this heading shall be reduced as all such offsetting fees are deposited to this appropriation so as to result in a final total fiscal year 1998 appropriation from the General Fund estimated at not more than $33,477,000: *Provided further*, That any such fees collected in excess of $249,523,000 shall remain available until expended but shall not be available for obligation until October 1, 1998.

SMALL BUSINESS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the Small Business Administration as authorized by Public Law 103–403, including hire of passenger motor vehicles as authorized by 31 U.S.C. 1343 and 1344, and not to exceed $3,500 for official reception and representation expenses, $235,047,000: *Provided*,

That the Administrator is authorized to charge fees to cover the cost of publications developed by the Administration, and certain loan servicing activities: *Provided further*, That, notwithstanding 31 U.S.C. 3302, revenues received from all such activities shall be credited to this account, to be available for carrying out these purposes without further appropriations: *Provided further*, That $75,500,000 shall be available to fund grants for performance in fiscal year 1998 or fiscal year 1999 as authorized by section 21 of the Small Business Act, as amended.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended (5 U.S.C. App. 1–11, as amended by Public Law 100–504), $9,490,000.

BUSINESS LOANS PROGRAM ACCOUNT

For the cost of guaranteed loans, $187,100,000, as authorized by 15 U.S.C. 631 note, of which $45,000,000 shall remain available until September 30, 1999: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That during fiscal year 1998, commitments to guarantee loans under section 503 of the Small Business Investment Act of 1958, as amended, shall not exceed the amount of financings authorized under section 20(n)(2)(B) of the Small Business Act, as amended.

In addition, for administrative expenses to carry out the direct and guaranteed loan programs, $94,000,000, which may be transferred to and merged with the appropriations for Salaries and Expenses.

DISASTER LOANS PROGRAM ACCOUNT

For the cost of disaster loans and associated administrative expenses, $199,100,000, to remain available until expended: *Provided*, That such costs for direct loans, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That of the amounts available under this heading, $500,000 shall be transferred to and merged with appropriations for the Office of Inspector General of the Small Business Administration for audits and reviews of disaster loans and the disaster loan program.

SURETY BOND GUARANTEES REVOLVING FUND

For additional capital for the "Surety Bond Guarantees Revolving Fund", authorized by the Small Business Investment Act, as amended, $3,500,000, to remain available without fiscal year limitation as authorized by 15 U.S.C. 631 note.

ADMINISTRATIVE PROVISION—SMALL BUSINESS ADMINISTRATION

Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Small Business Administration in this Act may be transferred between such appropriations, but no such appropriation shall be increased by more than 10 percent by any such transfers: *Provided*, That any transfer pursuant to this paragraph shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

STATE JUSTICE INSTITUTE

SALARIES AND EXPENSES

For necessary expenses of the State Justice Institute, as authorized by the State Justice Institute Authorization Act of 1992 (Public Law 102–572 (106 Stat. 4515–4516)), $3,000,000, to remain available until expended: *Provided*, That not to exceed $2,500 shall be available for official reception and representation expenses.

TITLE VI—GENERAL PROVISIONS

SEC. 601. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.

SEC. 602. 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. 603. 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. 604. If any provision of this Act or the application of such provision to any person or circumstances shall be held invalid, the remainder of the Act and the application of each provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

SEC. 605. (a) None of the funds provided under this Act, or provided under previous appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 1998, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds which (1) creates new programs; (2) eliminates a program, project, or activity; (3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted; (4) relocates an office or employees; (5) reorganizes offices, programs, or activities; or (6) contracts out or privatizes any functions, or activities presently performed by Federal employees; unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such reprogramming of funds.

(b) None of the funds provided under this Act, or provided under previous appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 1998, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for activities, programs, or projects through a reprogramming of funds in excess of $500,000 or 10 percent, whichever is less, that (1) augments existing programs, projects, or activities; (2) reduces by 10 percent funding for any existing program, project, or activity, or numbers of personnel by 10 percent as approved by Congress; or (3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress; unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such reprogramming of funds.

SEC. 606. None of the funds made available in this Act may be used for the construction, repair (other than emergency repair), overhaul, conversion, or modernization of vessels for the National Oceanic and Atmospheric Administration in shipyards located outside of the United States.

SEC. 607. (a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—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, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 608. None of the funds made available in this Act may be used to implement, administer, or enforce any guidelines of the Equal Employment Opportunity Commission covering harassment based on religion, when it is made known to the Federal entity or official to which such funds are made available that such guidelines do not differ in any respect from the proposed guidelines published by the Commission on October 1, 1993 (58 Fed. Reg. 51266).

SEC. 609. None of the funds appropriated or otherwise made available by this Act may be obligated or expended to pay for any cost incurred for (1) opening or operating any United States diplomatic or consular post in the Socialist Republic of Vietnam that was not operating on July 11, 1995; (2) expanding any United States diplomatic or consular post in the Socialist Republic of Vietnam that was operating on July 11, 1995; or (3) increasing the total number of personnel assigned to United States diplomatic or consular posts in the Socialist Republic of Vietnam above the levels existing on July 11, 1995, unless the President certifies within 60 days, based upon all information available to the United States Government that the Government of the Socialist Republic of Vietnam is cooperating in full faith with the United States in the following four areas:

(1) Resolving discrepancy cases, live sightings and field activities.

(2) Recovering and repatriating American remains.

(3) Accelerating efforts to provide documents that will help lead to fullest possible accounting of POW/MIA's.

(4) Providing further assistance in implementing trilateral investigations with Laos.

AMENDMENT NO. 4 OFFERED BY MR. DOGGETT

Mr. DOGGETT. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. DOGGETT:

At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . None of the funds provided by this Act shall be available to promote the sale or export of tobacco or tobacco products, or to

seek the reduction or removal by any foreign country of restrictions on the marketing of such products.

AMENDMENT OFFERED BY MR. MOLLOHAN AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. DOGGETT

Mr. MOLLOHAN. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. MOLLOHAN as a substitute for the amendment offered by Mr. DOGGETT:

In lieu of the matter proposed to be inserted, insert the following:

SEC. . None of the funds provided by this Act shall be available to promote the sale or export of tobacco or tobacco products, or to seek the reduction or removal by any foreign country of restrictions on the marketing of tobacco or tobacco products, except for restrictions which are not applied equally to all tobacco or tobacco products of the same type.

The CHAIRMAN pro tempore. Pursuant to the order of the House of Thursday, September 25, 1997, the gentleman from Texas [Mr. DOGGETT] and a Member opposed each will control 15 minutes on both amendments.

Mr. DOGGETT. Mr. Chairman, the substitute amendment is acceptable.

The CHAIRMAN pro tempore. Without objection, the gentleman from West Virginia [Mr. MOLLOHAN] may control the 15 minutes in opposition.

There was no objection.

□ 1000

PARLIAMENTARY INQUIRY

Mr. DOGGETT. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore (Mr. NUSSLE). The gentleman will state it.

Mr. DOGGETT. The substitute amendment is before us as having been adopted.

The CHAIRMAN pro tempore. That is correct.

Mr. DOGGETT. And, Mr. Chairman, I will have 15 minutes in support of the substitute amendment. And who will have 15 minutes in opposition to that amendment?

The CHAIRMAN pro tempore. Is there a Member opposed to that amendment?

Without objection, the gentleman from Texas [Mr. DOGGETT] will control the 15 minutes in opposition.

There was no objection.

Mr. DOGGETT. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, this amendment concerns the health of our children, the children of the entire world. The dangers of nicotine addiction to our children are now increasingly known. Three thousand young Americans each day become caught up in the nicotine habit, our leading cause of preventable death in America.

But these dangers do not stop at our country's shores. With increasing pressure to stop hooking kids here at home on nicotine, the big tobacco companies are spreading out around the globe to hook other people's kids. To make matters worse, American tax dollars, our tax dollars, have been used to promote addicting our people's children to the nicotine drug. This amendment would put a stop to that.

Since 1990, while Phillip Morris sales have grown by only 4.7 percent here in the United States, they have grown by 80 percent abroad. Smoking causes about 3 million deaths each year around the world. And it is estimated that in another couple of decades, the number will rise to 10 million, with 70 percent of all deaths from smoking coming into developing countries that are the newest targets of big tobacco.

Unfortunately, the U.S. Government and the U.S. taxpayer has been complicit in this export of death. Government employees in the Office of the U.S. Trade Representative and the Commerce and State Departments, economic and commercial counselors around the globe have assisted American tobacco companies overseas to break down barriers, and the result has been more kids around the globe are smoking.

One of the examples comes from our Embassy in Thailand, where instead of promoting health, our taxpayer dollars were used to try to discourage health restrictions. This amendment would put a stop to that and would ensure that America provides leadership in protecting children around the world instead of exposing them to disease.

Mr. Chairman, I yield 1½ minutes to the gentlewoman from Colorado [Ms. DEGETTE], one of the coauthors of this amendment.

Ms. DEGETTE. Mr. Chairman, tobacco does not discriminate. Tobacco kills people, young and old, black and white, American and Thai alike. Yet it seems that our Government discriminates when it comes to tobacco.

At home, the U.S. Government spends millions of dollars every year on tobacco prevention programs and is currently engaged in the most aggressive effort to date to curb youth smoking in America. But abroad in Asia, Eastern Europe and the former Soviet Union, the U.S. Government works hand in hand with tobacco companies to promote its product and increase its use in the overseas marketplace. What does this say about how our Government values human life? Is a life in downtown Washington more precious than a life in Bangkok? Tobacco does not discriminate, and neither should we.

There is a real difference between a company voicing legitimate international trade concerns and the tobacco industry's use of the Federal Government as a school yard bully to force foreign governments to subject their young to a barrage of cigarette marketing. It is a black eye for American diplomacy.

There is no doubt the entry of American tobacco overseas has dramatically increased consumption worldwide. In Taiwan, smoking rates of high school students jumped from 22 to 32 percent in the 2 years after American cigarettes were introduced. In Korea, the rate for male teens grew from 18 to 30 percent in just 1 year. In Japan, 26 percent of high school senior girls were smoking in 1990 after U.S. cigarettes were introduced.

Let us face it, tobacco companies do not need an extra boost from our Government to thrive overseas. That is why since 1993 we have banned such activity by the Agriculture Department by prohibiting the agency from promoting tobacco through the market access program.

As Congress embarks on the historic negotiations to reduce smoking at home, it would be inhumane for us to continue supporting this smoking abroad.

Mr. DOGGETT. Mr. Chairman, I yield 1 minute to the gentlewoman from Connecticut [Ms. DELAURO], who has been one of the leaders in trying to protect other children from tobacco.

Ms. DELAURO. Mr. Chairman, I rise today in strong support of this amendment. This is just common sense. Tobacco kills. U.S. taxpayer dollars should not be used to help the tobacco industry market this deadly product.

This is not a car. It is not a computer. It is not some piece of technology which is going to help to improve the quality of life. It is a product that, in fact, kills people. We have seen the dangers of smoking right here at home. We have spent billions of dollars on health care for people with tobacco-related diseases.

We should not be in the business to allow the tobacco industry to turn its gaze outward to the untapped markets across the world. Now that their market shares are beginning to decline in the United States, our Government has no business using taxpayer dollars to help the tobacco industry export this deadly product.

The Department of Agriculture is already barred from promoting tobacco through the market access program. This amendment would simply make Federal policy consistent across the Departments.

I urge my colleagues to support this amendment.

Mr. DOGGETT. Mr. Chairman, I yield 1¼ minutes to the gentleman from Texas [Mr. LAMPSON].

Mr. LAMPSON. Mr. Chairman, if we respect the way tobacco products are marketed in this Nation because we are concerned about the documented health risks, how can we in good conscience use taxpayer funds to help tobacco companies market their products overseas in nations where no restrictions are placed on their tactics which overwhelmingly target children? It is indefensible.

As this Nation works to finalize a settlement that will force tobacco

companies to reimburse States and individuals for the illnesses caused by many of their products, we must not be aiding the efforts to export those illnesses overseas. In fact, a New York Times editorial recently pointed out American tobacco companies have agreed to proposed domestic settlement in part because it does not touch them overseas where profits are soaring and they can boldly target teenagers without fear of lawsuit or powerful critics.

In this Nation nearly 30 years of antismoking efforts, because of it and despite it, American children still recognize Joe Camel as much as they recognize Mickey Mouse. In Hong Kong, empty packs of American cigarettes can be redeemed for tickets to movies and discos and concerts. In the mid-1980's our own U.S. Trade Representative demanded and won the right for American tobacco companies to advertise in Korea and Taiwan. No wonder tobacco consumption is growing at the fastest rate in the world in Asia.

I believe this Nation should be exporting antismoking efforts, but at the very least, we should stop aiding the efforts of the tobacco companies overseas. I urge my colleagues to support this amendment.

Mr. DOGGETT. Mr. Chairman, are there no speakers in opposition? I have some other speakers. I wanted to be sure I was not going to be faced with other speakers at the end.

Mr. MOLLOHAN. Mr. Chairman, no, the gentleman from Texas [Mr. DOGGETT] is going to have a clear field here.

Mr. DOGGETT. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. MEEHAN], who has done as much as anyone in this Congress to deal with the plague of this preventable disease caused by tobacco.

Mr. MEEHAN. Mr. Chairman, I rise in strong support of the Doggett-Meehan-Hansen-DeGette amendment.

Simply put, we can no longer continue to promote and facilitate the overseas sale of preventable death. In 1995 alone, Mr. Chairman, tobacco products killed 3 million people worldwide. According to the World Health Organization, 500 million people alive today will die due to smoking-related illness. It is hypocritical at best and immoral at worst for us to continue on our present course.

At a time when we are working to improve the health of our citizens, it should not be the policy of the U.S. Government to promote the sale and marketing of death and disease abroad. This amendment, Mr. Chairman, is about our Government's complicity in big tobacco's export on an epidemic scale.

Here in the United States, smoking rates among adults have finally begun to decline. In response to a shrinking domestic market, the American tobacco companies have turned their attention to the independent national market, particularly developing nations in Asia, Latin America and Eastern Europe. Indeed, Mr. Chairman, international sales of Philip Morris and R.J. Reynolds have already quadrupled in the last 10 years.

Mr. Chairman, opponents of this amendment do not mention the fact that American tobacco companies are unleashing an unprecedented advertising and marketing campaign on unsophisticated and vulnerable consumers all across the world. Further, they conveniently forget to mention that American tobacco companies have targeted women, the vast majority of whom had not previously smoked, by linking the women's movement with the smoking of cigarettes.

It is abundantly clear that the American tobacco companies are looking overseas for future profits. With this amendment, we must decide whether or not we, as a nation, will facilitate big tobacco's overseas campaign. Currently we are willing accomplices to the worldwide addition of children to tobacco products. Thus, we had have contributed to these untimely deaths.

How can we on the one hand seek to protect our children from the ravages of nicotine addiction while promoting the activities of tobacco companies abroad? This is a good amendment.

Mr. DOGGETT. Mr. Chairman, I yield 1½ minutes to the gentleman from Georgia [Mr. LEWIS].

Mr. LEWIS of Georgia. Mr. Chairman, I rise in support of the Doggett amendment. We should not use any Federal funds to support the promotion and export of tobacco overseas. Tobacco kills. It is a known killer. It is toxic and addictive. Tobacco kills more than 1,000 Americans every day.

Most people begin smoking when they are teenagers. Every day 3,000 young people begin smoking. We must put an end to this effort. This is an effort we support worldwide. We must send that same message around the world that tobacco kills. We should not, we must not, we cannot support smoking in other countries around the world.

We must not allow public funds to promote smoking in other countries. Why should we export our poison? Why should we send our poison to poorer, sicker, less developed countries? We all live on this planet together, Mr. Chairman. We must be concerned not just about our children becoming addicted, we must also be concerned about children around the world, rich or poor, black, white, yellow, or brown. They all are our children.

We are talking about the lives of innocent children. Mr. Chairman, we have people that are trying to sell poison to our neighbors' children. They are using their money and their ads and their glamour to poison our Nation's and neighbors' children. We have a moral responsibility not to support this effort. We have a moral duty to protect our neighbors' children just as we protect our own children. We must say no to tobacco both here in our country and around the world.

Mr. DOGGETT. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. LUTHER], one of the leaders in the effort to deal with the young people and not having them become addicted to nicotine.

Mr. LUTHER. Mr. Chairman, I rise in strong support of this amendment because America's tobacco companies are continuing to profit from addicting the world's children to tobacco.

This amendment will force the U.S. Government to cease the unconscionable practice of assisting these companies in promoting tobacco use abroad. We now have extensive research showing that billboards and advertisements in magazines increase smoking among youth.

The fact that children are being used as advertising targets severely detracts from their ability to make sound judgments about the devastating health consequences of smoking. Let us put emotion aside and simply consider the facts.

In foreign country after foreign country, smoking rates among young people have skyrocketed after American cigarettes were introduced. This is atrocious, and the U.S. Government is in part responsible. We must no longer be part of this tragedy.

I urge my fellow House Members to support this amendment, discourage tobacco use around the world, and send the message that America will not tolerate this kind of assault on the world's children.

Mr. DOGGETT. Mr. Chairman, this has been a bipartisan effort. The gentleman from Utah [Mr. HANSEN], one of the coauthors, is not here today to speak.

Mr. Chairman, I yield 1 minute to the gentlewoman from Maryland [Mrs. MORELLA], my distinguished Republican colleague and another leader in this effort.

Mrs. MORELLA. Mr. Chairman, I thank the gentleman from Texas [Mr. DOGGETT] for yielding me the time.

Mr. Chairman, I want to try to really condense and simply say that I think it is a very important amendment, and I hope that my colleagues will all support it. Tobacco use continues to be a major health problem in our country. We all know that. It is responsible for one out of five illnesses, according to the Centers for Disease Control. We know that those illnesses coming from tobacco cost Medicare more than $10 billion a year, Medicaid more than $5 billion.

□ 1015

Mr. Chairman, I do not understand why we are subsidizing the promotion

of tobacco products in the first place. The tobacco industry makes large profits on their products, and in fact 68 cents of every dollar that is spent by consumers on tobacco products goes to manufacturers and distributors. Price-Waterhouse conducted a study that concluded that the tobacco industry generates about 800,000 jobs. However, more than 3 million people worldwide die each year from diseases related to tobacco use. That means that four people must die each year to create one job.

The amendment before us is merely an extension of legislative actions taken by past Congresses. In every agriculture appropriations bill since 1993, Congress has approved provisions to prohibit the Agriculture Department from promoting the sale or export of tobacco products overseas. This amendment extends the prohibition to the Departments of Commerce, State, and the U.S. Trade Representative.

We should not be using taxpayer funds to promote the sale or export of cigarettes. This is a product that addicts children and kills one-half of its long-term users. The American Heart Association emphasizes that "more people die each year in the United States from smoking than from AIDS, alcohol, drug use, homicide, car accidents, and fires combined. Tobacco use accounts for more than $68 billion in health care costs and lost productivity each year.

I think it is time for the Federal Government to get out of the tobacco business. I urge my colleagues to seize this opportunity to move one step more towards accomplishing that goal.

Mr. DOGGETT. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from Texas is recognized for 3¾ minutes.

Mr. DOGGETT. Mr. Chairman, my thanks to all of my colleagues who have joined on what I believe is an important amendment. This will be the first time that this Congress, particularly in view of all of the discussion of the tobacco settlement, recognizes and goes on record that our responsibilities as a world leader and as a moral leader in this world do not stop at the shores of this Nation.

Yes, we are concerned that 3,000 young Americans become addicts to tobacco each day; yes, we are concerned that this is the leading cause of preventable death in this country; yes, we are concerned when tobacco companies come through this Congress and sneak in a $50 billion tax credit for themselves. But our concern does not go just to our children; it goes to the children of the world. And we know that if a tobacco settlement is funded by simply addicting other children we have forfeited our claim to responsibility in this world and our claim to any moral leadership in this world.

And so today, Mr. Chairman, I believe this House will go on record as saying no longer will we use the tax dollars of American taxpayers to promote the sale of tobacco abroad, and no longer will we ask the U.S. Trade Representative, as happened in Korea, to go in and knock down restrictions on advertising directed at young Koreans, directed at the children of Korea so that they can become addicted to nicotine, and say that we did it because it was a trade regulation that was limiting new entrants, American tobacco companies, into this foreign market. We go on record against that.

There is an amendment that has been added by my colleague from West Virginia, and it is a narrow amendment indeed. It says essentially that if some country were to say we do not want West Virginia tobacco but we will take the tobacco from the rest of the world, that that would be a very narrow limited basis for the Trade Representative to go in and see that that kind of arbitrary discrimination did not occur. But not with reference to health and safety regulations, not with regard to the ingredients in tobacco, as our embassy in Thailand sought to do to limit the health efforts of the Thai Government; no, what we will be doing today is responding to the tobacco control advocates from 19 countries around the world who wrote this Congress this very summer and asked us specifically to provide for an explicit statement that our Trade Representative and our State Department would not be out trying to interfere with the health regulations of other countries around this world who are trying to protect their children from the problem of tobacco just as we are trying to protect ours.

As the New York Times wrote recently, Washington can surely remove tobacco from the category of products that get aggressive support for opening foreign markets. American companies and the American Government unleash sophisticated marketing campaigns that increase smoking and, of course, thereby increase preventable death in many countries where people do not fully understand its danger. That gives Washington a responsibility to undo the damage, and that is precisely what this House would be doing this morning in adopting this amendment.

This amendment has been endorsed by all of the leading public health organizations that have been struggling with the menace of tobacco in this country. The American Lung Association, Dr. C. Everett Koop, President Reagan's Surgeon General, has spoken out with reference to this matter, and I believe we will constructively move forward this morning to adopt an amendment that really for the first time in this Congress goes on record concerning our feelings about the problems of tobacco.

And I hope that we will see this incorporated into the instructions that go to every one of our commercial and economic counselors around the globe, so that they will understand full well that anything they might do on behalf of an American tobacco company has been seriously and narrowly limited to those most arbitrary regulations that have nothing to do with public health and safety. Their job should be, as emissaries for our country, to encourage other countries to promote health and safety and well-being for their children, and not to promote the sale of a product that is the leading cause of preventable death in this world.

Mr. Chairman, I ask for approval of the amendment, as amended.

Mr. McDERMOTT. Mr. Chairman, I rise in support of the Doggett-Meehan amendment because our Government should do everything it can to prevent the use of tobacco products—regardless if that use occurs in the United States or abroad. The amendment before us is simple—it merely prohibits the use of taxpayer dollars to help tobacco companies market their products overseas.

Overseas communities clearly represent the future market for America's tobacco products. Since 1990, the sale of Philip Morris tobacco products have increased in this country by about 5 percent. However, during the same time period, Philip Morris' overseas sales skyrocketed by 80 percent.

Worse still, the new smokers who are attracted to these U.S. tobacco products are children. For example just 2 years after American cigarettes were introduced to Taiwan, smoking rates among Taiwanese teenagers jumped from 22 to 32 percent. In Korea, the number of male teens who smoked almost doubled to 30 percent just 1 year after United States tobacco products entered the market.

Mr. Speaker, in my view, each of us should do everything we can to reduce smoking worldwide—not just in the United States. This is especially true when you consider that it's the kids of the world who are most susceptible to the marketing of this lethal product.

I urge my colleagues to take this small, but worthy step to reduce the world's addiction to tobacco by limiting our country's ability to push tobacco use abroad. I urge you to support the Doggett amendment—let's not spend anymore taxpayer dollars to boost these lethal tobacco products overseas.

Mrs. LOWEY. Mr. Chairman, I rise in strong support of this amendment, which will take us one more step toward a consistent Federal tobacco policy.

Tobacco products kill over 3 million people every year, including 400,000 Americans. Every day, thousands of young people start smoking. One in three will die from cancer, heart disease, and other illnesses caused by smoking. American taxpayers should not be subsidizing this deadly product.

We in the United States are facing a public health crisis over the effects of tobacco use. In fact, we spend almost $200 million each year to warn Americans about the dangers of tobacco and prevent its use.

But it is irresponsible fiscal and health policy for the Federal Government to then turn around and promote the sale of tobacco products overseas. What kind of an example are we setting for the rest of the world? What kind of an example are we setting for our own kids

here in the United States who are being told not to smoke?

It's time for this hypocrisy to end. We must make our Federal tobacco policy consistent with our public health policy.

Today, we have an opportunity to move another step down the road to dissolving the Federal Government's partnership with the tobacco industry. We must stop using taxpayer dollars to subsidize a product that kills millions of adults, addicts our kids, and costs billions a year in health care.

I urge my colleagues to support this important amendment.

Mr. ETHERIDGE. Mr. Chairman, I rise in opposition to this attack on farmers. Singling out one legal product is wrong. If this amendment passes, the U.S. Trade Representative will be prevented from using America's influence with foreign countries to eliminate unfair foreign trade barriers imposed on a legal, American product grown by family farmers. One third of the tobacco grown in this country is exported. Foreign markets for American tobacco are vital to small tobacco farmers and their communities. This legislation represents an assault on America's family farmers.

If USTR is no longer allowed to take action against trade barriers imposed on these American products, foreign governments will impose such barriers at will. We would never do this to other legal, products such as American automobiles, American computers, American seafood, American beef, or American airplanes. We're fighting to gain access to foreign markets for these products. Not doing so for tobacco is unfair and is bad policy. Congress would not dare do this to any other group of American Producers.

USTR's hands would be tied in negotiating trade deals with countries where tobacco is but one of a host of items considered. A country could ban all American tobacco, a violation of the General Agreements on Tariffs and Trade. Yet, USTR would be prevented from taking action, even if a clear violation has occurred.

There is nothing to be gained by tying the hands of USTR. This will not prevent people from smoking. Those who choose to smoke will simply buy cigarettes made in countries where tobacco production is not regulated as it is here. Countries where children are paid poverty wages to make cigarettes in horrible working conditions. Countries that do not regulate the use of pesticides. Countries that do not inspect manufacturers for sanitary procedures. This amendment won't reduce smoking. It will only benefit foreign tobacco companies and farmers at the expense of 124,000 American family farmers.

This is the crop insurance vote all over again. This body agreed that singling out one commodity that receives crop insurance would be discriminatory, and defeated an attempt earlier this year to eliminate it for tobacco farmers. This amendment is another unfair attack on hard-working, god-fearing farmers playing by the rules. I urge you to support America's right and responsibility to enforce international agreements and to support American farmers. Vote "no" on this amendment.

Ms. ROYBAL-ALLARD. Mr. Chairman, I rise in strong support of the Doggett-Meehan-Hansen-DeGette amendment because the Federal Government should not be in the business of assisting the tobacco industry in promoting its deadly and addictive products either in the United States or in other countries.

The U.S. tobacco industry exploits the domestic market by flooding our communities with billboard, magazine and newspaper advertisements and sponsoring concerts and sporting events. They have launched their campaigns with the knowledge of the addictive and deadly effects of tobacco and for years, kept this information from the public. Worse yet, while they knew that tobacco kills, the industry targeted our children and communities of color by promoting the ubiquitous Joe Camel and exploiting cultural events such as Juneteenth and Cinco de Mayo festivals.

With U.S. sales lagging in the United States, the tobacco industry has turned to foreign markets to launch their high-profile ads where once again, they are targeting teens and women of color in Asia, Africa, Central, South America, the Caribbean, and Eastern Europe. As a result, worldwide use of American tobacco has skyrocketed over the past 10 years. Foreign sales now account for more than half of all sales for Philip Morris and RJ Reynolds.

Due to the thousands of tobacco-related illnesses and deaths that have resulted from the use of tobacco, we are now in the midst of an unprecedented so-called settlement with the tobacco industry. We are finally discussing substantial curtailment of the promotion, advertising, and distribution of tobacco products in the United States. How then can we turn a blind eye and allow the tobacco industry to addict thousands of people in developing nations? How can we in good consciousness allow the U.S. Government to undermine health warning labels, ingredient disclosure laws and tobacco advertising restrictions in developing countries while we simultaneously bolster these provisions in the United States? With the full knowledge of the lethal effects of tobacco use, the Federal Government is no better than the tobacco industry if it encourages and enables tobacco promotion in other countries.

Referring to the present deal with the tobacco company as a global tobacco settlement is cruel and hypocritical if we are going to assist the industry in addicting people in foreign countries. Enabling the tobacco industry to promote tobacco addiction while we curtail its use in the United States is an unconscionable and unacceptable double standard.

I urge my colleagues to vote for this important amendment which will send a clear message to the tobacco industry that the U.S. Government will not be an accomplice in promoting tobacco-related illnesses and death overseas.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from West Virginia [Mr. MOLLOHAN] as a substitute for the amendment offered by the gentleman from Texas [Mr. DOGGETT].

The amendment offered as a substitute for the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. DOGGETT], as amended.

The amendment, as amended, was agreed to.

The CHAIRMAN. Are there further amendments to this portion of the bill?

If not, the Clerk will read.

The Clerk read as follows:

SEC. 610. None of the funds made available by this Act may be used for any United Nations undertaking when it is made known to the Federal official having authority to obligate or expend such funds (1) that the United Nations undertaking is a peacekeeping mission, (2) that such undertaking will involve United States Armed Forces under the command or operational control of a foreign national, and (3) that the President's military advisors have not submitted to the President a recommendation that such involvement is in the national security interests of the United States and the President has not submitted to the Congress such a recommendation.

SEC. 611. None of the funds made available in this Act shall be used to provide the following amenities or personal comforts in the Federal prison system—

(1) in-cell television viewing except for prisoners who are segregated from the general prison population for their own safety;

(2) the viewing of R, X, and NC–17 rated movies, through whatever medium presented;

(3) any instruction (live or through broadcasts) or training equipment for boxing, wrestling, judo, karate, or other martial art, or any bodybuilding or weightlifting equipment of any sort;

(4) possession of in-cell coffee pots, hot plates or heating elements; or

(5) the use or possession of any electric or electronic musical instrument.

SEC. 612. None of the funds made available in title II for the National Oceanic and Atmospheric Administration (NOAA) under the heading "Fleet Modernization, Shipbuilding and Conversion" may be used to implement sections 603, 604, and 605 of Public Law 102–567.

SEC. 613. Any costs incurred by a Department or agency funded under this Act resulting from personnel actions taken in response to funding reductions included in this Act shall be absorbed within the total budgetary resources available to such Department or agency: *Provided*, That the authority to transfer funds between appropriations accounts as may be necessary to carry out this section is provided in addition to authorities included elsewhere in this Act: *Provided further*, That use of funds to carry out this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 614. None of the funds made available in this Act to the Federal Bureau of Prisons may be used to distribute or make available any commercially published information or material to a prisoner when it is made known to the Federal official having authority to obligate or expend such funds that such information or material is sexually explicit or features nudity.

SEC. 615. Of the funds appropriated in this Act under the heading "OFFICE OF JUSTICE PROGRAMS—STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE", not more than ninety percent of the amount to be awarded to an entity under the Local Law Enforcement Block Grant shall be made available to such

an entity when it is made known to the Federal official having authority to obligate or expend such funds that the entity that employs a public safety officer (as such term is defined in section 1204 of title I of the Omnibus Crime Control and Safe Streets Act of 1968) does not provide such a public safety officer who retires or is separated from service due to injury suffered as the direct and proximate result of a personal injury sustained in the line of duty while responding to an emergency situation or a hot pursuit (as such terms are defined by State law) with the same or better level of health insurance benefits that are paid by the entity at the time of retirement or separation.

SEC. 616. EXPENSE REIMBURSEMENT.—Any Member of Congress and any individual who is paid by the Clerk of the House of Representatives or the Secretary of the Senate shall be entitled to receive a reimbursement for any legal expenses and other legitimate expenses incurred by such Member or individual in connection with a Department of Justice prosecution arising from or in connection with the performance of official duties and brought against such Member or individual if such Member or individual is acquitted of the charges brought, the charges are dismissed by a court, or the conviction is reversed on appeal.

The CHAIRMAN. Are there amendments at this point in the bill?

AMENDMENT OFFERED BY MR. HOEKSTRA

Mr. HOEKSTRA. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. HOEKSTRA: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. 617. None of the funds made available in this Act may be used to pay the expenses of an election officer appointed by a court to oversee an election of any officer or trustee for the International Brotherhood of Teamsters.

The CHAIRMAN. The gentleman from Michigan [Mr. HOEKSTRA] and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Michigan [Mr. HOEKSTRA].

Mr. HOEKSTRA. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, what this amendment does is it accomplishes an objective that we outlined last week on an earlier appropriations bill. What it does is it prohibits the spending of any additional dollars on the actual paying for the administration of a rerun election by the Teamsters Union. As my colleagues are aware, the Federal Government spent roughly $20 million in 1995 through 1997 to pay for a Teamsters' election. The efforts of these taxpayer dollars were subverted by individuals within the Teamsters, resulting in the election being thrown out because of illegalities and corruption in that election.

This paid, these dollars paid for the actual printing of ballots, the counting of ballots, the payment of phones, the internal operations of a private organization. It is not the taxpayers' responsibility to incur these costs. It is the Federal Government's responsibility to oversee and ensure that no Federal election laws are violated, that there are no violations. This amendment says we will supervise but we will not pay for the day-to-day operations of a private organization.

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

Mr. MOLLOHAN. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from West Virginia [Mr. MOLLOHAN] is recognized for 5 minutes.

Mr. MOLLOHAN. Mr. Chairman, I yield myself such time as I may consume. This amendment would attempt to validate an agreement entered into by the Justice Department under the Bush administration. We think that the gentleman's approach is ill considered, that the Bush administration in the 1988 consent decrees require that the Teamsters pay for court supervision of the 1991 election, which cost about $19 million. We oppose the amendment because we feel that we should have the flexibility to participate and to ensure that the elections are conducted fairly. Granted, that is an imperfect process, but nevertheless, because of the history of these elections and the seriousness of the charges, and they are being repeated here, certainly the Government should have a role in this and through the process of oversight. Obviously if this is knocked out we would not be able to participate in that.

So, Mr. Chairman, we oppose the amendment.

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

Mr. HOEKSTRA. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, this is not, this amendment does not remove the Federal Government from its proper role of oversight for the activities of private organizations. What this amendment does is it says we will not pay for the transactions that a private organization has to incur on a day-to-day business to fulfill its proper role to run its business.

This is corporate welfare, corporate welfare at its worst, because when the Federal Government in 1996 did reach out and say, "We are going to help you and we're going to pay for your day-to-day operations," people within the Teamsters said, "Thank you very much," and they took this $20 million and they used it for illegal purposes, not to build their union, not to strengthen their organization, but to begin to destroy it and destroy the confidence at all levels and destroy the public perception of this organization.

Mr. Chairman, this organization has the funds to run its day-to-day operations. The taxpayers should not once again be asked to foot the bill and to run the day-to-day operations. The Federal Government, the Labor Department and the Justice Department have a role and have a responsibility to monitor and supervise those elections, not to pay for the counting of the ballots and the printing of the ballots.

□ 1030

Mr. MOLLOHAN. Mr. Chairman, I yield back the balance of my time.

Mr. HOEKSTRA. Mr. Chairman, I yield 1 minute to the gentleman from Kentucky [Mr. ROGERS].

Mr. ROGERS. Mr. Chairman, we have no objection to the amendment, and in fact support its adoption. I thank the gentleman for offering the amendment.

Mr. HOEKSTRA. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. HOEKSTRA].

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. MOLLOHAN. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 239, further proceedings on the amendment offered by the gentleman from Michigan [Mr. HOEKSTRA] will be postponed.

The CHAIRMAN. Are there further amendments to this portion of the bill?

AMENDMENT NO. 57 OFFERED BY MR. FOX OF PENNSYLVANIA

Mr. FOX. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 57 offered by Mr. FOX of Pennsylvania:

Page 117, after line 2, insert the following new section:

SEC. 617. None of the funds appropriated or otherwise made available by this Act may be obligated or expended, directly or indirectly, to make any payment to, provide any financial assistance to, or enter into any contract with, the Palestine Broadcasting Corporation, any affiliate or successor agency of such corporation, or any journalist employed by or representing such corporation.

Mr. MOLLOHAN. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. Would the gentleman like to speak on his reservation?

Mr. MOLLOHAN. Mr. Chairman, I make a point of order against this amendment because it proposes changing existing law, constitutes legislation on an appropriation bill, and, therefore, violates clause 2 of rule XXI.

The CHAIRMAN. Does the gentleman wish to make a point of order, or reserve a point of order at this point?

Mr. MOLLOHAN. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman reserves a point of order.

The CHAIRMAN. The gentleman from Pennsylvania is recognized for 5 minutes.

Mr. FOX of Pennsylvania. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today to speak on behalf of amendment 57. From a merits point of view, the Palestinian Broadcast Corporation, which receives some funds from the United States, speaks out against the United States. But the important point I would like to make is I would like to, in the interest of bipartisanship, be able to delete language from the amendment. The words "any affiliate or successor agency of such corporation or any journalist employed by or representing such corporation," I would like to delete that language by unanimous consent.

If those in charge of both sides of the aisle would agree to that change, I would be very grateful, so the point of order which could be made would be cured. I would be very grateful if that could be agreed to.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania [Mr. FOX]?

Mr. MOLLOHAN. Mr. Chairman, I reluctantly object.

The CHAIRMAN. Objection is heard.

Mr. FOX of Pennsylvania. Mr. Chairman, I would submit that considering we are on the Justice-Commerce appropriation, the idea of having free speech move forward in this Chamber and not have a technicality rule over substance, I would appreciate it if both sides of the aisle would consider the possibility of the unanimous-consent request and deleting the language.

Mr. MOLLOHAN. Mr. Chairman, will the gentleman yield?

Mr. FOX of Pennsylvania. I yield to the gentleman from West Virginia.

Mr. MOLLOHAN. Mr. Chairman, a couple of things for my good friend from Pennsylvania, who I was very pleased to work with on the Legal Services amendment this year and last year, and I did not do this lightly, and I would love to be able to accommodate the gentleman.

First of all, when we are talking about free speech, the underlying issue here really is associated with free speech in USIA funding, the ability of groups in the Middle East to market their views and opinions. The gentleman's amendment would cut that off. We can argue about the content of that speech, but I think the gentleman's amendment cuts it off regardless of the content.

Mr. FOX of Pennsylvania. Mr. Chairman, reclaiming my time, to make the clarification, the fact is this is not free speech, the United States is paying for it, and the Palestinian Broadcast Corporation is calling for the annihilation of the United States. I do not think we should fund agencies that call for the destruction of the United States and the destruction of other countries, including Israel. So it is not free speech, we are paying for it.

Mr. MOLLOHAN. Mr. Chairman, if the gentleman would yield further, without debating that issue further, we are also operating under a very constrained unanimous-consent agreement here, and I think that it would set a bad precedent with some of these amendments that are coming up if we were to allow for them to be amended.

Mr. FOX of Pennsylvania. Mr. Chairman, with all due respect, reclaiming my time, the fact is the momentary seconds in this Chamber to allow the curative deletion would allow the Members to vote on the motion, and then your persuasive, thoughtful arguments could win the day on the merits.

I believe it is not in the interests and the spirit of this body, nor this committee that has done such good work, to disallow this unanimous consent for the purpose of stifling debate and stifling the Members' ability to speak out for or against or vote for or against.

So I would ask the ranking member to reconsider his original consideration of my request in the hopes that with comity and cooperation, we could move on and go to the merits of the matter.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from West Virginia insist on his point of order?

Mr. MOLLOHAN. I insist on my point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. MOLLOHAN. Mr. Chairman, I make a point of order against the amendment offered by the gentleman from Pennsylvania [Mr. FOX] because it proposes to change existing law and constitutes legislation in an appropriation bill and, therefore, violates clause 2 of rule XXI.

The rule states in pertinent part "no amendment to a general appropriation bill shall be in order if changing existing" law. This amendment gives affirmative direction in effect, imposes additional duties, and modifies existing powers and duties.

Mr. Chairman, I ask for a ruling from the Chair.

The CHAIRMAN. Does the gentleman from Pennsylvania [Mr. FOX] wish to be heard?

Mr. FOX of Pennsylvania. Mr. Chairman, I do not believe, with all due respect to my good friend from West Virginia [Mr. MOLLOHAN], with whom I have had an opportunity to work on Legal Services, and I am grateful, in this particular instance I do not believe this is legislating in an appropriation bill.

The fact of the matter is we are saying no funds can go to the Palestinian Broadcast Corporation. Whether or not it talks about a successor agency does not put new duties, in my opinion, on anyone. It is surplusage language. It does not actually give new duties, nor does it violate the spirit or intent of the purpose of such restrictions that are normally placed.

I do appreciate, Mr. Chairman, when there are new duties placed in legislation. I do not believe this is such a case. Therefore, I would respectfully request that the Chair find in favor of the amendment moving forward as is.

The CHAIRMAN. The Chair is prepared to rule.

The amendment offered by the gentleman from Pennsylvania [Mr. FOX] is in the form of a limitation. The amendment seeks to deny funds for payments to, financial assistance for, or the entering into contracts with, the Palestinian Broadcast Corporation, or any affiliate or successor agency to the Palestinian Broadcast Corporation, or any journalist employed by or representing such corporation.

As recorded in Deschler's Precedents, volume 8, chapter 26, section 52, even though amendment in the form of a negative restriction on funds in a bill might refrain from explicitly assigning new duties to officers of the government, if the putative limitation implicitly requires them to make investigations, compile evidence, or make judgments and determinations not otherwise required of them by law, then it assumes the character of legislation and is subject to a point of order under clause 2(c) of rule XXI.

The proponent of a limitation assumes the burden of proving that any duties imposed by the provision are merely ministerial or are already required by law.

The Chair in this instance must focus on the requirement in the amendment that the officials who administer the funds in question must determine what a "successor agency" to the Palestinian Broadcasting Corporation may be. Absent a showing that those officials are already charged with that responsibility or possessed of that information, the Chair must conclude that the amendment would impose a new duty on such officials.

Accordingly, the Chair rules that the amendment changes existing law, is not in the form of a proper limitation and the point of order is sustained.

Mr. ACKERMAN. Mr. Chairman, I appeal the decision of the Chair.

The CHAIRMAN. The question is, Shall the decision of the Chair stand as the judgment of the Committee?

The decision of the Chair was sustained.

The CHAIRMAN. Are there further amendments to this portion of the bill?

AMENDMENT NO. 61 OFFERED BY MS. VELÁZQUEZ

Ms. VELÁZQUEZ. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 61 offered by Ms. VELÁZQUEZ:

Page 117, after line 2, insert the following:

SEC. 627. (a) IN GENERAL.—None of the funds appropriated to carry out this Act

shall be used to deport or remove from the United States any alien who was provided by the Immigration and Naturalization Service one of the following identification numbers:

A76553660.
A76553650.
A76553651.
A76553661.
A76553858.
A76553862.
A76553863.
A76553876.
A76553877.
A76553665.
A76553659.
A76553658.
A76553679.
A76553678.
A76553681.
A76553654.
A74553078.
A74553079.
A74553077.
A76553683.
A76553674.
A76553652.
A76553692.
A76553649.
A76553673.
A76183163.
A76183162.
A76553653.
A76553686.
A76553688.
A76553664.
A76553871.
A76553888.
A76553684.
A76553887.
A76553657.
A76553672.
A76553685.
A76553655.
A76553688.
A76553667.
A76553682.
A76553680.
A74553085.
A74553076.
A76553690.
A76553691.
A76553698.

The CHAIRMAN. Pursuant to the order of the House of Thursday, September 25, 1997, the gentlewoman from New York [Ms. VELÁZQUEZ] and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from New York [Ms. VELÁZQUEZ].

Ms. VELÁZQUEZ. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, right now there are people who are working 18 to 20 hours a day under threat of beatings and torture. One might think I am describing a Third World country, but I am not. Right now these crimes are repeated in virtually every major city in this country. Why? Because the victims of these crimes are undocumented immigrants and their tormentors are using fear to silence them.

Last July a group of disabled Mexican immigrants were discovered living in squalor in my district. They had been taken from their villages in Mexico, smuggled into this country, and forced to work to up to 18 hours a day. If they did not earn enough money, they were beaten.

In this case, the victims could not bear their terrible treatment any longer. Knowing that they might be separated from their children and that they might be put up in jail, they still went to the police. These are brave people who exposed a terrible crime. Yet how are they treated? For the past 2 months they have been held in a motel in Queens while immigration officials decide their fate.

I am offering an amendment today that will bar the Immigration and Naturalization Service from using its funds to deport the victims of these terrible crimes.

Let me be perfectly clear: These people were brought to this country, they were tortured and beaten, they were enslaved because their abusers thought their victims would keep silent out of fear of reprisals. My amendment will put this Nation on notice that we will no longer tolerate the abuse of the vulnerable.

If this amendment fails to pass, what message is this Congress sending to the country? That you can smuggle people into this country, enslave them, beat them, make a fortune with their labor, and you know if they turn you in, they will be deported?

What a great deal for the owners of sweatshops. What a terrible deal for the victims. Is this how we should treat these people who lived through hell, and helped us uncover this awful crime? Shall we send them packing, or shall we show mercy?

My amendment is an act of compassion on behalf of a group of people who have been through hell.

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

The CHAIRMAN. Who rises in opposition?

Mr. ROGERS. Mr. Chairman, I rise in opposition.

The CHAIRMAN. The gentleman from Kentucky is recognized for 5 minutes.

Mr. ROGERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I state that I am in opposition only in a very technical sense in order to be able to speak to the gentlewoman's concerns.

Let me say first off that the gentlewoman has raised a very troublesome matter to all of us. I think every person in this country, especially in this Congress, sympathizes with the plight of the people that the gentlewoman has mentioned, and want to be of help. We are trying to be of help.

I have discussed the matter with the gentlewoman before the amendment was offered and have pledged to her my assistance in every aspect that we can think of, and that of my colleagues, in helping her and the others, to help these people.

Under the present law, the Attorney General of the United States has certain prerogatives to intervene in this case and to prevent deportation and to help in any number of ways.

The current law provides the Attorney General with authority to withhold deportation for humanitarian purposes and other circumstances.

□ 1045

There are other remedies under current law that can be exercised for granting visas for witnesses, for example, who have information of critical value to the U.S. law enforcement officials, and this matter is under investigation, obviously, for perhaps criminal activity, among other things.

So I pledge to the gentlewoman that we will all assist her in the effort to relieve the plight of these people.

However, the gentlewoman's amendment on an appropriations bill would be unprecedented. We have never done what the gentlewoman is asking the Congress to do here, and I think it would set a terrible precedent for us to intervene in a particular individual's problem with the bureaucracy, before the bureaucracy has a chance to deal with it.

So I would hope at the conclusion of our discussion, the gentlewoman might withdraw the amendment so that we can then proceed to help her administratively in the matter.

We will ask the Department of Justice and the INS, about the custody and care of these people, any plans that are being discussed that may involve deportation, any options that they are talking about to provide relief from deportation based on the authorities already available to the Attorney General, and I pledge that we will work with the gentlewoman in a vigorous way.

Ms. VELÁZQUEZ. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentlewoman from New York.

Ms. VELÁZQUEZ. Mr. Chairman, I really appreciate the gentleman's help. I would share with the gentleman that these people live right now in total limbo, that they have exhausted every mechanism. I have called on the Attorney General, and she has yet to act on this case. So I would appreciate that the chairman and the ranking member from our side will work with us, with me, to make sure that a positive and constructive resolution is granted based on a humanitarian act. We have to show compassion, and I know that it will set a precedent, but this is the only mechanism that right now I have before me before the end of this session.

Mr. ROGERS. Mr. Chairman, reclaiming my time, I want to congratulate the gentlewoman for bringing the matter to the attention of the Congress and the country. She is to be highly commended for that, and it is too bad that the gentlewoman has had to resort

to an extraordinary procedure here in order to gain the attention, I hope, of the Attorney General and the staff of the Justice Department and INS on trying to gain some relief for these people, and I pledge to the gentlewoman that we will help you in that regard.

Mr. MOLLOHAN. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from West Virginia.

Mr. MOLLOHAN. Mr. Chairman, I would just like to associate myself with the gentleman's sentiments. This is an extraordinary situation, and I commend the gentlewoman and her colleague from New York for bringing this issue to the Congress. We do understand how hard the gentlewoman has worked to bring it to the attention of the administration, and we are a bit chagrined to see that there has not been the kind of responsiveness that would be merited in the circumstances. I think the proposal that the gentlewoman has worked out with the Chairman is one that will get attention, and at the same time not create the kind of unsatisfactory precedent that the chairman is concerned with.

I join the chairman in assuring the gentlewoman that we will do everything necessary and everything in our power to make sure that the gentlewoman does get responsiveness from the appropriate authorities.

Mr. ROGERS. Mr. Chairman, reclaiming my time, there is one other option that the gentlewoman and I have discussed. If the Attorney General and the administration does not take appropriate action in the immediate future before we go to conference with the Senate on this bill, there is always the option of the conferees on this bill with the House and Senate, taking further action in respect to the matter.

Ms. VELÁZQUEZ. Mr. Chairman, I yield 1½ minutes to the gentleman from New York [Mr. MANTON], my colleague in whose district some of the victims live.

Mr. MANTON. Mr. Chairman, I thank the gentlewoman for yielding me this time. I rise in strong support of the amendment offered by the gentlewoman from New York [Ms. VELÁZQUEZ], the gentleman from New York [Mr. SCHUMER], and the gentleman from New York [Mr. KING], my friends and colleagues.

Most of my colleagues probably are already aware of the tragic case of some 57 hearing-impaired Mexican immigrants smuggled into this country illegally and held in involuntary servitude, if you will. This was brought to light through the national media on July 20 of this year.

Mr. Chairman, these unfortunate individuals had been put up in two apartment buildings in Queens, New York, one located in my congressional district and one in Representative VELÁZQUEZ's district. They were forced to live in inadequate housing and to panhandle by selling trinkets on the streets and subways of New York.

In addition to being hearing-impaired, they knew only the Spanish language and had no means to readily communicate with anyone to tell them of their plight. They were simply at the mercy of their so-called employers.

Thanks to the good efforts of the New York City Police Department, in particular Officers Phil Rogan and Billy Milan of the 115th Precinct, these individuals were freed from the control of their unscrupulous masters. Sadly, their ordeal did not end there as they face potential deportation in the near future if the Velázquez-Schumer-King amendment is not passed.

Mr. Chairman, it has been over 2 months since this situation came to light, yet the status of these immigrants remains in limbo as they await a decision by the Federal Government while being held in a local motel.

I would like to commend the gentleman from Kentucky and the gentleman from West Virginia for their compassion, and we look forward to working with them to resolve this matter.

Ms. VELÁZQUEZ. Mr. Chairman, I will now withdraw my amendment, and I want to thank the chairman and the ranking member, and I look forward to working together to bring some peace to these victims.

The CHAIRMAN. Without objection, the amendment is withdrawn.

There was no objection.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to House Resolution 239, proceedings will now resume on those amendments on which further proceedings were postponed in the following order:

Amendment No. 33 offered by the gentleman from New York [Mr. GILMAN];

Amendment Nos. 2 and 3 en bloc offered by the gentleman from Maryland [Mr. BARTLETT]; Amendment No. 36 offered by the gentleman from Michigan [Mr. HOEKSTRA].

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT OFFERED BY MR. GILMAN

The CHAIRMAN. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from New York [Mr. GILMAN] on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. GILMAN:

Page 67, line 19, insert before the period the following: *Provided*, That, of such amount, not more than $356,242,740 shall be available for obligation until the Secretary of State has made one or more designations of organizations as foreign terrorist organizations pursuant to section 219(a) of the Immigration and Nationality Act (8 U.S.C. 1189(a)), as added by section 302 of Public Law 104–132 (110 Stat. 1214, 1248).

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 396, noes 6, answered "present" 5, not voting 26, as follows:

[Roll No. 457]

AYES—396

Abercrombie	Cubin	Hamilton
Ackerman	Cummings	Hastert
Aderholt	Cunningham	Hastings (WA)
Allen	Danner	Hayworth
Andrews	Davis (FL)	Hefley
Archer	Davis (IL)	Hefner
Armey	Davis (VA)	Herger
Bachus	Deal	Hill
Baesler	DeFazio	Hilleary
Baker	DeGette	Hilliard
Baldacci	Delahunt	Hinchey
Ballenger	DeLauro	Hinojosa
Barcia	DeLay	Hobson
Barr	Deutsch	Hoekstra
Barrett (NE)	Diaz-Balart	Holden
Barrett (WI)	Dickey	Hooley
Bartlett	Dingell	Horn
Barton	Dixon	Hostettler
Bass	Doggett	Houghton
Bateman	Dooley	Hoyer
Becerra	Doolittle	Hulshof
Bereuter	Doyle	Hunter
Berry	Dreier	Hutchinson
Bilbray	Duncan	Hyde
Bilirakis	Dunn	Inglis
Bishop	Edwards	Istook
Blagojevich	Ehlers	Jackson (IL)
Bliley	Ehrlich	Jefferson
Blumenauer	Emerson	Jenkins
Blunt	Engel	John
Boehlert	English	Johnson (CT)
Boehner	Ensign	Johnson (WI)
Bono	Eshoo	Johnson, Sam
Borski	Etheridge	Jones
Boswell	Evans	Kanjorski
Boucher	Everett	Kaptur
Boyd	Ewing	Kasich
Brady	Farr	Kelly
Brown (CA)	Fattah	Kennedy (MA)
Brown (FL)	Fawell	Kennelly
Brown (OH)	Fazio	Kildee
Bryant	Filner	Kilpatrick
Bunning	Flake	Kim
Burr	Foglietta	Kind (WI)
Burton	Foley	King (NY)
Callahan	Forbes	Kingston
Calvert	Ford	Kleczka
Camp	Fowler	Klink
Campbell	Fox	Klug
Canady	Frank (MA)	Knollenberg
Cannon	Franks (NJ)	Kolbe
Capps	Frelinghuysen	LaFalce
Cardin	Frost	LaHood
Carson	Furse	Lampson
Castle	Gallegly	Lantos
Chabot	Ganske	Largent
Chambliss	Gejdenson	Latham
Chenoweth	Gekas	LaTourette
Christensen	Gephardt	Leach
Clay	Gilchrest	Levin
Clayton	Gillmor	Lewis (CA)
Clement	Gilman	Lewis (GA)
Clyburn	Goode	Lewis (KY)
Coble	Goodlatte	Linder
Coburn	Goodling	Lipinski
Combest	Gordon	Livingston
Condit	Goss	LoBiondo
Cook	Graham	Lofgren
Cooksey	Granger	Lowey
Costello	Green	Lucas
Cox	Greenwood	Luther
Coyne	Gutierrez	Maloney (CT)
Cramer	Gutknecht	Maloney (NY)
Crane	Hall (OH)	Manton
Crapo	Hall (TX)	Manzullo

Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McDermott
McGovern
McHale
McHugh
McIntosh
McIntyre
McKeon
McNulty
Meehan
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Mink
Moakley
Mollohan
Moran (KS)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Radanovich
Ramstad
Rangel
Redmond
Regula
Riggs
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Stabenow
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Thomas
Thompson
Thornberry
Thune
Thurman
Tierney
Torres
Towns
Traficant
Turner
Upton
Velázquez
Vento
Visclosky
Walsh
Wamp
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)

NOES—6

Dellums
McKinney
Miller (CA)
Minge
Paul
Rahall

ANSWERED "PRESENT"—5

Bonior
Johnson, E. B.
Kucinich
Moran (VA)
Waters

NOT VOTING—26

Bentsen
Berman
Bonilla
Buyer
Collins
Conyers
Dicks
Gibbons
Gonzalez
Hansen
Harman
Hastings (FL)
Jackson-Lee (TX)
Kennedy (RI)
Lazio
McInnis
Meek
Owens
Quinn
Reyes
Schiff
Schumer
Spratt
Taylor (NC)
Tiahrt
Weygand

□ 1111

Mr. MILLER of California and Mr. DELLUMS changed their vote from "aye" to "no".

Mrs. CHENOWETH and Mr. WATT of North Carolina changed their vote from "no" to "aye."

Mr. KUCINICH changed his vote from "aye" to "present."

Mr. PAUL changed his vote from "present" to "no."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to House Resolution 239, the Chair announces that he will reduce to a minimum of 5 minutes the period of time in which a vote by electronic device will be taken on each amendment on which the Chair has postponed further proceedings.

AMENDMENTS OFFERED BY MR. BARTLETT OF MARYLAND

The CHAIRMAN. The unfinished business is the demand for a recorded vote on the amendments offered by the gentleman from Maryland [Mr. BARTLETT] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendments.

The text of the amendments is as follows:

Amendments offered by Mr. BARTLETT of Maryland:

Amendment No. 2: In title IV relating to "DEPARTMENT OF STATE AND RELATED AGENCIES", in the item relating to "International Organizations and Conferences—contributions to international organizations" strike "of which not to exceed $54,000,000 shall remain available until expended for payment of arrearages" and all that follows through the second proviso.

Amendment No. 3: In title IV relating to "DEPARTMENT OF STATE AND RELATED AGENCIES", in the item relating to "International Organizations and Conferences—contributions to international peacekeeping activities" strike "of which not to exceed $46,000,000 shall remain available until expended for payment of arrearages" and all that follows through the first proviso.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 165, noes 242, not voting 26, as follows:

[Roll No. 458]

AYES—165

Aderholt
Archer
Armey
Bachus
Baker
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bilbray
Bilirakis
Blunt
Boehner
Bono
Brady
Bryant
Bunning
Burr
Burton
Callahan
Calvert
Camp
Canady
Cannon
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Combest
Cook
Cooksey
Cox
Crane
Crapo
Cubin
Cunningham
Danner
Deal
DeLay
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Foley
Fowler
Gillmor
Goode
Goodlatte
Goodling
Goss
Granger
Gutknecht
Hall (TX)
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Hulshof
Hunter
Hutchinson
Inglis
Istook
Jenkins
Johnson, Sam
Jones
Kim
Kingston
Klug
Largent
Lewis (KY)
Linder
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McDade
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Pappas
Paul
Paxon
Pease
Peterson (PA)
Pickering
Pitts
Pombo
Portman
Radanovich
Redmond
Riggs
Riley
Rogan
Rohrabacher
Ros-Lehtinen
Ryun
Salmon
Sanford
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shimkus
Shuster
Skeen
Smith (MI)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Sununu
Talent
Tauzin
Taylor (MS)
Thornberry
Thune
Traficant
Upton
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weller
White
Whitfield
Wicker
Wolf
Young (FL)

NOES—242

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Ballenger
Barrett (WI)
Bass
Bateman
Becerra
Bereuter
Berry
Bishop
Blagojevich
Bliley
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Campbell
Capps
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Deutsch
Diaz-Balart
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Ehlers
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fawell
Fazio
Filner
Flake
Foglietta
Forbes
Ford
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gilchrest
Gilman
Gordon
Graham
Green
Greenwood
Gutierrez
Hall (OH)
Hamilton
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Horn
Houghton
Hoyer
Hyde
Jackson (IL)
Jefferson
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennelly
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (GA)
Lipinski
Livingston
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McHugh
McKinney
McNulty
Meehan
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Morella
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Oxley
Packard
Pallone
Parker
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Petri
Pickett
Pomeroy
Porter
Poshard
Price (NC)
Pryce (OH)
Rahall
Ramstad
Rangel
Regula
Rivers
Rodriguez
Roemer
Rogers
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton

Scott
Serrano
Shays
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith (NJ)
Smith, Adam
Snyder
Stabenow
Stark
Stokes
Strickland
Stupak
Tanner
Tauscher
Thomas
Thompson
Thurman
Tierney
Torres
Towns
Turner
Velázquez
Vento
Visclosky
Walsh
Waters
Watt (NC)
Waxman
Weldon (PA)
Wexler
Wise
Woolsey
Wynn
Yates
Young (AK)

NOT VOTING—26

Bentsen
Berman
Bonilla
Buyer
Collins
Dicks
Gibbons
Gonzalez
Hansen
Harman
Hastings (FL)
Hostettler
Jackson-Lee (TX)
Kennedy (RI)
Lazio
McInnis
Meek
Owens
Quinn
Reyes
Schiff
Schumer
Spratt
Taylor (NC)
Tiahrt
Weygand

□ 1121

The Clerk announced the following pairs:

On this vote:

Mr. Collins for, with Mr. Quinn against.

Mr. Gibbons for, with Ms. Harman against.

Mr. EWING changed his vote from "no" to "aye."

So the amendments were rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. HOEKSTRA

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Michigan [Mr. HOEKSTRA] on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 213, noes 189, not voting 31, as follows:

[Roll No. 459]

AYES—213

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Berry
Bilbray
Bilirakis
Bliley
Blunt
Boehner
Bono
Boyd
Brady
Bryant
Bunning
Burr
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Combest
Condit
Cook
Cooksey
Cox
Crane
Crapo
Cubin
Cunningham
Davis (VA)
Deal
DeLay
Dickey
Doggett
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Ensign
Everett
Ewing
Fawell
Foley
Fowler
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (TX)
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
Kingston
Klug
Knollenberg
Kolbe
Largent
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
McCollum
McCrery
McIntosh
McIntyre
McKeon
Mica
Miller (FL)
Moran (KS)
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Pomeroy
Porter
Portman
Pryce (OH)
Radanovich
Ramstad
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Souder
Spence
Stearns
Stenholm
Stump
Sununu
Talent
Tanner
Tauzin
Taylor (MS)
Thomas
Thornberry
Thune
Traficant
Turner
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
White
Whitfield
Wicker
Wolf
Young (FL)

NOES—189

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Brown (CA)
Brown (FL)
Brown (OH)
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Deutsch
Diaz-Balart
Dingell
Dixon
Dooley
Doyle
Engel
English
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Forbes
Ford
Fox
Frank (MA)
Furse
Gejdenson
Gephardt
Gilman
Green
Gutierrez
Hall (OH)
Hamilton
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Houghton
Hoyer
Jackson (IL)
Jefferson
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennelly
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kleczka
Klink
Kucinich
LaFalce
LaHood
Lampson
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDade
McDermott
McGovern
McHale
McHugh
McKinney
McNulty
Meehan
Menendez
Metcalf
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Morella
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Poshard
Price (NC)
Rahall
Rangel
Rivers
Rodriguez
Roemer
Ros-Lehtinen
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Scott
Serrano
Sherman
Sisisky
Skaggs
Slaughter
Smith, Adam
Snyder
Stabenow
Stark
Stokes
Stupak
Tauscher
Thompson
Thurman
Tierney
Torres
Towns
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Weldon (PA)
Weller
Wexler
Wise
Woolsey
Wynn
Yates

NOT VOTING—31

Bentsen
Berman
Bonilla
Burton
Buyer
Capps
Collins
Dicks
Gibbons
Gonzalez
Hansen
Harman
Hastings (FL)
Jackson-Lee (TX)
Kennedy (RI)
Lazio
Manzullo
McInnis
Meek
Owens
Quinn
Reyes
Schiff
Schumer
Solomon
Spratt
Strickland
Taylor (NC)
Tiahrt
Weygand
Young (AK)

□ 1130

The Clerk announced the following pair:

On this vote:

Mr. Collins for, with Ms. Jackson-Lee of Texas against.

□ 1130

Mr. LUTHER changed his vote from "aye" to "no."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. MANZULLO. Mr. Chairman, on rollcall No. 459 I inserted my card in a voting station and voted "aye". A green light appeared next to my name. However, I am officially listed as not having voted. I want to indicate for the RECORD that I supported the Hoekstra amendment.

Mr. BEREUTER. Mr. Chairman, I move to strike the requisite number of words as the designee of the manager.

Mr. Chairman, I would like to engage a four-way colloquy with the chairman and two colleagues from adjacent districts, the gentleman from Iowa [Mr. LATHAM] and the gentleman from Nebraska [Mr. BARRETT], regarding problems with the smuggling of illegal aliens in Nebraska and Iowa.

Mr. Chairman, Nebraska and Iowa are major destinations for illegal aliens and alien smugglers due to extremely low unemployment rates, the number of meat-packing plants, and other labor-intensive industries, and due to the fact that two major interstate highways which cross the States, I–80 and I–29, are serving as what seems to be considered a low-risk corridor for smuggling aliens to other parts of our Nation.

The Omaha INS office, which serves both States, could not respond to approximately 55 possible instances of alien smuggling, including 382 suspected illegal aliens in Nebraska and Iowa, because the INS did not allocate additional resources to respond.

The INS Omaha District Office has a small staff when compared with nearby district offices. Additionally, it does not have a much needed antismuggling unit, in contrast to other interior INS districts in the United States.

Mr. Chairman, do you agree that INS should allocate additional agents as part of an antismuggling unit to the Omaha District Office to fight the smuggling of illegal aliens into and through Nebraska and Omaha?

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from Kentucky.

Mr. ROGERS. I am aware of the problems with alien smuggling in Nebraska and Iowa that the gentleman from Nebraska [Mr. BEREUTER] has raised. It is for that very reason that the House report includes language directing INS to review the requirements of State and localities in the central and western region of the country when allocating additional personnel to apprehend, detain, and remove illegal aliens.

I will continue to work with my colleague to find a solution to the problem during our consultations with INS on personnel deployment.

Mr. BEREUTER. Mr. Chairman, I thank the gentleman from Kentucky [Mr. ROGERS].

Mr. BARRETT of Nebraska. Will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from Nebraska.

Mr. BARRETT of Nebraska. Mr. Chairman, I thank the gentleman from Nebraska [Mr. BEREUTER] for yielding.

I would like to also, Mr. Chairman, take this opportunity to express my continued concern about the rather regular occurrence of alien smuggling in and through Nebraska, particularly along I-80, and I concur with the request of my colleague for an antismuggling unit in the Omaha INS District Office.

Mr. BEREUTER. Mr. Chairman, I thank the gentleman from Nebraska [Mr. BARRETT] so much. It has happened in his own district.

Mr. LATHAM. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from Iowa.

Mr. LATHAM. Mr. Chairman, I thank the gentleman from Nebraska [Mr. BEREUTER] for yielding.

I have followed with great interest the concerns of my colleagues from Nebraska because my home State of Iowa shares many of the same problems.

As a member of the appropriations subcommittee which funds INS and other Department of Justice agencies, I recognize the budgetary constraints and limitations that face our law enforcement agencies. During the debate on the immigration reform bill last year, I successfully offered an amendment mandating the INS coordinate its activities with local and State agencies. This cooperation of local, State, and Federal agents will bring efficient and thorough protection to our urban and rural areas, especially in States with few INS officers.

I want to highlight also the work of the Tri-State Drug Task Force, headquartered in Sioux City, IA, as an example of effective coordination. The task force has worked tirelessly to stem the flow of illegal drugs to Iowa, Nebraska, and South Dakota by coordinating local police, sheriffs' offices, and Federal agents from the INS, the Drug Enforcement Agency, and the Marshal's Service.

Mr. BEREUTER. Mr. Chairman, reclaiming my time, this Member thanks his distinguished colleagues and especially the distinguished gentleman from Kentucky [Mr. ROGERS], the chairman, for this colloquy with my two colleagues and I. I thank him for participating in the colloquy.

AMENDMENT NO. 54 OFFERED BY MR. SMITH OF NEW JERSEY

Mr. SMITH of New Jersey. Mr. Chairman, I offer an amendment.

The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 54 offered by Mr. SMITH of New Jersey:

Page 117, after line 2, insert the following new section:

SEC. 617. None of the funds appropriated or otherwise made available by this Act may be obligated or expended to pay the salary or expenses of any official or employee of the Department of State to make or carry out any contract authorizing any private entity to assess a charge or fee upon United States citizens for information about United States passports.

The CHAIRMAN. Pursuant to the order of the House of Thursday, September 25, 1997, the gentleman from New Jersey [Mr. SMITH] and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself such time as I may consume. This amendment is very simple. It is intended to stop the State Department from charging Americans twice for the same service.

The State Department has begun charging, as I think many of my colleagues know now, U.S. citizens $1.05 per minute for information about their U.S. passports. In order to get this information, they must call a 900 number that is run by a for-profit corporation. Americans who have already paid a $65 passport fee are now required to pay for information that used to be available for free.

Something, it seems to me, is very wrong with this picture, especially because passport applicants are already paying for more passport services than they are receiving. Let us face it, whether we think it is deserved or not, 900 telephone numbers carry certain connotations with the American public, from the racy to the ridiculous. That forum should not be used to sell information that should already belong to the American people.

Mr. Chairman, the idea behind a user fee such as the passport fee is that we are paying for what it actually costs the Government to provide us that service. The user fees should not be used for a profit engine, and passport applicants are supposed to get what they pay for. But the $65 fee that U.S. citizens pay up front for passport processing already more than covers the cost of passport services that they receive from the State Department.

A while back, the Department conducted a fee study to justify the latest increase in the passport fee to $65. But the study, in fact, did not justify that amount. The Department did its best to attribute every possible cost to passport users. It even went so far to factor in the proportional cost of U.S. overseas consular services which might be used by American travelers. But even then, the total was nothing close to $65. The Department has been at a loss to know what to do in response to that finding, so they have not released it to the public.

Let me say again, this is a kind of double taxation. We have had numerous complaints in my State, particularly in my counties of Monmouth, Ocean, Mercer, and Burlington. As a matter of fact, the county clerk in Ocean County was the one who brought this to my attention some time ago. So this is in response to that criticism of the people from those counties.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. SMITH of New Jersey. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Chairman, this is an amendment that is under consideration in the conference on the State Department authorization bill that has migrated onto this bill.

I understand that the gentleman from New Jersey [Mr. SMITH] is opposed to the notion that people should have to pay for a telephone call to obtain information on passport applications. The problem was that the State Department did not have the personnel to be able to provide information, and that this was a way to try to improve service in exchange for a small charge.

While I am willing to accept the Smith amendment, I believe there are many unanswered questions about the amendment. If the 1-900 number is banned on October 1, as the amendment would require, things will revert to the way they were before, where the service level was unsatisfactory. There is a contractor providing the 1-900 service, and if the contract is cut off, these people will be laid off, and there could be termination costs.

The State Department indicates that if they have to switch to a different

manner of providing service, such as a 1–800 number, assuming money is available to pay for that service, a contract would have to be recompeted, and it could take months before a contract could be awarded and a new service instituted.

So in the short term, this amendment has the possibility of decreasing the availability of information to people trying to track their passport applications. So I am not convinced that the amendment is the final answer on the issue.

But we are willing to work with the gentleman from New Jersey [Mr. SMITH] and take the issue into conference and see if we can work out a solution that will adequately address the situation.

Mr. SMITH of New Jersey. Reclaiming my time, I thank the chairman for accepting the amendment.

Let me say clearly, the effective date is open to movement, and the date of enactment does not have to be necessarily the effective date, so that there is a transition.

Mr. Chairman, I yield to the gentleman from New York [Mr. ACKERMAN].

Mr. ACKERMAN. Mr. Chairman, I thank the gentleman from New Jersey [Mr. SMITH] for yielding, and I thank the gentleman from Kentucky [Mr. ROGERS] for his understanding and cooperation on this issue and the leadership of the gentleman from New Jersey [Mr. SMITH], as well as the gentleman from West Virginia [Mr. MOLLOHAN], the ranking member.

The American people and, I think, the Members of the House should just roughly understand what is happening here. The State Department decided that they were upset because we did not fully fund everything that they were asking for. So they decided to come up with their own tax on the American people and say, well, we do not have enough money to answer the phones, so we will just contract and let somebody else perform that duty.

It is almost as if we decided that we were upset that we did not get enough money for our legislative offices and said, "Let us not answer the phones. Let us get a company to answer the phones for us, and it is a 900 number, and they will tell what we are in favor of or not in favor of and free up our staff to do something else." It is kind of outrageous.

I just want to raise the ante from what the gentleman from New Jersey [Mr. SMITH] said. It is not double, it is triple taxation. They pay taxes on the 15th of April.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. SMITH] has expired.

Mr. ACKERMAN. Mr. Chairman, I ask unanimous consent to claim the time in opposition, although I am not opposed.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

□ 1145

Mr. ACKERMAN. Mr. Chairman, it is basically a triple taxation. We pay taxes on the 15th of April; then there is a user fee which is a tax of $65 on the American people in order to get the passport, so that will tax twice. Then they decide that that is not good enough, we are going to tax people for the information, like going to the grocery store and ask the grocer where the milk is, and he says, "Ask that guy, but he's going to charge you to tell you where the milk is." I mean it is an absolute absurdity.

There is a solution, and I appreciate the suggestion, and it is certainly a good one. An additional suggestion would be to dedicate the $65 fee to the State Department to allow them to use that money rather than putting that money back into the general fund. But triple taxing the American people for basic government information, basic service to which they are entitled, is an absolute absurdity, and I salute the gentleman from New Jersey.

Mr. SMITH of Jersey. Mr. Chairman, will the gentleman yield?

Mr. ACKERMAN. I yield to the gentleman from New Jersey.

Mr. SMITH of New Jersey. Mr. Chairman, the complaints that we have been getting are very much like what the gentleman is talking about. If people called my office and the gentleman's office and other Members' offices seeking basic information about that case that we have under consideration with the IRS or any other Federal bureaucracy, it would be absurd to charge them for that phone call, and that is what this is all about. And let me reiterate again to the Members that the $65 for the passport more than covers. There is a profit there for the State Department, regrettably; it ought to be lower, it should accommodate what does the service cost, and then that is what the cost should be.

So this amendment seeks to do what the IRS and nobody else could even think of doing; that is, having a 900 number to give basic information. We are in the service business. We ought to enhance that service, and an 800 number would do that job, and that is what we are hoping will come out of this.

Mr. ACKERMAN. Mr. Chairman, the gentleman is absolutely correct.

We have a case of a nun who lived in my district. She had been adopted, had a different name in her adulthood, was selected by her order to represent them overseas and had to get a passport. She had to call this 900 number. She got trapped in this system. They did not know how to fix this thing. She was spending $60 calling 900 numbers. Everybody was looking at her kind of crookedly in her convent, as my colleagues know, why is she on this 900 number all night, and the deal was she was the nun who could not fly. They could not fix this for her.

Mr. Chairman, certainly she is entitled to basic government services as every other U.S. citizen is without being taxed three times, and I appreciate the cooperation of gentleman from New Jersey and the chairman and ranking member on this.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. SMITH].

The amendment was agreed to.

AMENDMENT NO. 58 OFFERED BY MR. KLECZKA

Mr. KLECZKA. Mr. Chairman, I offer an amendment.

The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 58 offered by Mr. KLECZKA: Page 117, after line 2, insert the following:

SEC. 617. None of the funds appropriated to carry out this Act may be used to purchase or install live fingerprint scanners in Immigration and Naturalization Service field offices or card scanners at Immigration and Naturalization Service centers unless the Immigration and Naturalization Service refunds, not later than 6 months after the date of the enactment of this Act, all fees paid to the Immigration and Naturalization Service for designated fingerprinting service certification under 8 C.F.R. §103.2(e).

The CHAIRMAN. Pursuant to the order of the House of Thursday, September 25, 1997, the gentleman from Wisconsin [Mr. KLECZKA] and a Member opposed will each control 5 minutes.

Mr. ROGERS. Mr. Chairman, I reserve a point of order on the gentleman's amendment.

The CHAIRMAN. The gentleman from Kentucky [Mr. ROGERS] reserves a point of order, and the gentleman from Wisconsin [Mr. KLECZKA] is recognized for 5 minutes.

Mr. KLECZKA. Mr. Chairman, I am aware of the point of order that has been raised. I will not pursue the amendment, I will withdraw it at a later time, but I would like to establish for the record the situation that the amendment seeks to address.

Mr. Chairman, last summer the INS instituted a designated fingerprinting service to ask local firms to enter into contracts with the INS to help them out in this fingerprinting operation. The Senate bill and the bill before us today does away with outside interests, outside firms, nonprofit organizations from doing the fingerprinting for the Immigration Service. The immigration Service under both products will do this function themselves, and that is fine, and I do not take issue with that because of some of the past problems.

However, the situation that we are looking at today is that the INS is not positive, they are not sure that they are going to refund the fees collected from these organizations who, in good

faith, paid the money to do the service for a period of 3 years. I have been contacted in my district by two organizations who sent them their application fee of $370. Now they are being told by the Congress, We don't need you any more. Their inquiry is whether or not they are going to get their money back, or a prorated portion of that. I called the INS, and they indicated that they are not sure whether or not they are going to refund the dollars. The amendment's purpose is to mandate that the INS give the money back.

We have just seen hearings in both Houses of Congress this week about a Federal agency which treated our constituents in a shoddy manner, and these tax filers are angry over that. Some time ago we heard about a situation where an elderly individual in error sent a $50,000 check to the IRS. He subsequently passed away, his heirs found the error, and now they want the money back. The IRS says they are not going to give it back. This is a type of situation that we get ourselves into when the Federal agency does something goofy, similar to what the previous amendment or the speakers on the previous amendment had to relate to us, that now they are charging to talk to them through a 900 number.

Before this thing gets out of hand, know full well, Members, that there are 3,700 organizations who in good faith sent the application through to the INS, sent their $370. Now we are yanking the task away from them, and I think it is wise that we mandate that the INS give the money back. If we do not need them any more, give the money back.

And let me ask the chairman of the committee to indicate to at least this Member what his knowledge of the situation is and how he could possibly help out in this situation.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. KLECZKA. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Chairman, I appreciate the gentleman bringing the matter to our attention. Although the gentleman's amendment I think is out of order and he says he is going to withdraw the amendment, nevertheless, in spite of his withdrawing it and in response to his concern, I will be looking into the status of that issue with the INS and the Justice Department to see if there is some way we can resolve the matter, and I appreciate the gentleman's interest.

Mr. KLECZKA. Mr. Chairman, I thank the gentleman from Kentucky very much.

Mr. MOLLOHAN. Mr. Chairman, will the gentleman yield?

Mr. KLECZKA. I yield to the gentleman from West Virginia.

Mr. MOLLOHAN. Mr. Chairman, I just want to compliment the gentleman from Wisconsin. He has raised a real fairness issue here. The INS has gone out, trying to address the tremendous numbers of fingerprints they have to process, and contracted with the private entities to do this, and now the Congress is looking at all that, and I am satisfied with that policy; we are pulling that back in. And it is only fair, and I appreciate the gentleman bringing that to the committee, and I know that his constituents and all those private sector entities across the country are performing this service and will appreciate his bringing this to our attention too.

Mr. KLECZKA. Mr. Chairman, I ask unanimous consent to withdraw the amendment, but know full well that I and others in this body who have organizations involved in this will be watching the activity of the INS to make sure that they just give the money back.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The CHAIRMAN. The amendment offered by the gentleman from Wisconsin is withdrawn.

Are there further amendments?

AMENDMENT NO. 16 OFFERED BY MR. BARR OF GEORGIA

Mr. BARR of Georgia. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 16 offered by Mr. BARR of Georgia:

Page 117, after line 2, insert the following new section:

SEC. 617. None of the funds made available in this Act may be used to conduct any study of the medicinal use or legalization of marijuana or any other drug or substance in schedule I under part B of the Controlled Substances Act.

The CHAIRMAN. Pursuant to the order of the House of Thursday, September 25, 1997, the gentleman from Georgia [Mr. BARR] and a Member opposed will each control 5 minutes.

The Chair recognizes the gentleman from Georgia [Mr. BARR].

Mr. BARR of Georgia. Mr. Chairman, this is a very simple, straightforward amendment. It simply reaffirms what I believe to be current policy of this body and current policy of the administration, and that is to not use taxpayer funds for the study of legalization of drugs. And the amendment simply directs that no funds made available under this act for these departments or agencies of the Federal Government shall be used for the study of legalization or medicinal uses of marijuana or any other schedule I controlled substance.

Mr. Chairman, I would like to read into the record exactly what a schedule I controlled substance is, and that includes marijuana through its primary ingredient THC. Under title 21, section 812 of the United States Code, a schedule I substance is a, quote, drug or other substance that has a high potential for abuse, close quote. It is further, quote, a drug or other substance that has no currently acceptable and no currently accepted medical use in treatment in the United States, close quote. Further, quote, there is a lack of accepted safety for use of the drug or other substance under medical supervision, close quote.

That being the case, Mr. Chairman, I think it is entirely appropriate that we make absolutely clear to the American people that our Government is not going to be funding studies that go contrary to well-established existing law based on scientific fact and study over many years.

This amendment, Mr. Chairman, is entirely consistent with the explicit stated policy of this administration. As evidence of that I quote from a hearing on May 1, 1997, before the Subcommittee on National Security, International Affairs, and Criminal Justice of the Committee on Government Reform and Oversight, of which I was present and engaged in questioning with General McCaffrey, head of the Office of National Drug Control Policy, and I quote General McCaffrey's response.

It's unequivocally clear in writing, that the Attorney General, the Secretary of Health and Human Services, the Secretary of Education and I and others supported, obviously approved by the President, are unalterably opposed to the legalization of drugs for the surreptitious legalization of drugs under the guise of medical uses.

Mr. Chairman, if any department of our Government ought to be using taxpayer funds to study the legalization or so-called medicinal uses of drugs, it ought not to be the Department of Justice. The Department of Justice is tasked under our Constitution and our laws with enforcing our criminal laws, some of which I have just read, the Controlled Substances Act. It would be foolhardy to allow the Department of Justice to talk out of both sides of its mouth, on the one hand enforcing those drug laws which contain as a controlled mind-altering substance marijuana, and yet at the same time talk out of the other side of its mouth in saying, "But we're going to study whether or not it ought to be legalized," which is an implicit message that maybe it ought not to be a controlled substance.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. BARR of Georgia. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Chairman, I am not aware that the Justice Department is studying the medicinal uses of marijuana. If the gentleman knows about that, I will be very interested to know about it.

But, Mr. Chairman, I have no objection to the amendment, and in fact support its adoption.

Mr. BARR of Georgia. Mr. Chairman, I would cite to the distinguished gentleman from Kentucky the fact that the administration is proposing to spend $1 million of taxpayer funds for the so-called medicinal use study of marijuana.

Mr. ROGERS. If the gentleman would yield, that is not the Justice Department. I am told that is the office of the drug czar in the White House.

Mr. BARR of Georgia. That is correct, that is the ONDCP.

Mr. ROGERS. And, of course, we do not appropriate for the office of the drug czar in the White House. We appropriate for the Justice Department. Now if the gentleman has information that the Justice Department is studying the legalization or medicinal uses of marijuana, give that to me forthwith.

Mr. BARR of Georgia. Reclaiming my time, the gentleman is absolutely correct. At this time we do not. My problem is, and the reason that I think this amendment is necessary, is that even though the director of ONDCP states on record that he is not in favor of studying legalization of drugs, at the same time through his office they are seeking to spend $1 million. If they can do it in ONDCP, talk out of both sides of their mouth, my fear is other departments, including the Department of Justice, may do the same thing; and I think this is an important guarantee for the people of this country to know that at least these departments, including most importantly the Department of Justice, tasked with enforcing our drug laws, is not and will not be utilizing taxpayer moneys for such foolhardy studies.

Mr. MOLLOHAN. Mr. Chairman, I move to strike the last word.

Just very briefly, I appreciate the gentleman's affirming that the administration has no intention to undertake such studies or to institute such a policy. To my knowledge, I agree with the gentleman, there is nothing in this bill that relates to the gentleman's amendment, and in that sense the gentleman's amendment really has no effect on our bill. And in that sense it is kind of a progravity amendment and if the gentleman from Kentucky wants to accept it, I certainly do not have opposition to it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. BARR].

The amendment was agreed to.

□ 1200

The CHAIRMAN. Are there further amendments to this portion of the bill?

Mr. ROGERS. Mr. Chairman, I move that the Committee do now rise.

The CHAIRMAN. The question is on the motion offered by the gentleman from Kentucky [Mr. ROGERS].

Mr. MOLLOHAN. Mr. Chairman, we have one more colloquy.

Mr. ROGERS. Mr. Chairman, I ask unanimous consent to withdraw my motion.

The CHAIRMAN. Without objection, the motion is withdrawn.

There was no objection.

Mr. MOLLOHAN. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. The gentleman from West Virginia is recognized for 5 minutes.

Mr. MOLLOHAN. Mr. Chairman, I yield to the gentlewoman from Oregon [Ms. FURSE].

Ms. FURSE. Mr. Chairman, I rise today to enter into a colloquy. I am joined in this colloquy by the gentleman from California [Mr. RIGGS], and I do not see him on the floor right now, so, if I may, I will just do my part of this.

I am joining the gentleman from California [Mr. RIGGS] to support continued funding for the Northwest Emergency Assistance Program. The Hire the Fishers Program has been successful in providing jobs for over 300 displaced fisher families in the Pacific Northwest, while working to recover the region's economically vital salmon runs.

The program includes a sea data collection program in order to better manage our salmon fisheries, and a habitat restoration program designed to give fishers an active role in returning the Pacific salmon runs to a harvestable level.

The Hire the Fisher Program, Mr. Chairman, is an excellent model of a Federal-State partnership that works both for the environment and the economy. It is a win-win for the States, the fishers, and the fish. In short, it is a program that continues to deserve our support.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. MOLLOHAN. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Chairman, I appreciate my colleague's interest, and also the work of our colleague, the gentleman from California [Mr. RIGGS], who has been tireless in his pursuit of this issue, as has the gentlewoman. Both have contacted me about this already, and other programs related to the problems of the Pacific Northwest fisheries. In fact, the bill already provides significant resources to address these problems.

However, the NEAP Program is not a program which has ever been funded out of this bill, and no funds have been requested by the White House in their budget request. However, knowing of the gentlewoman's interests, that of the gentleman from California [Mr. RIGGS] and others, I will be happy to look further at the program as we proceed along.

Ms. FURSE. Mr. Chairman, I thank the gentleman for his gracious attention.

Mr. ROGERS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. HOBSON] having assumed the chair, Mr. HASTINGS of Washington, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2267), making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1998, and for other purposes, had come to no resolution thereon.

CAMPAIGN FINANCE REFORM HEARINGS NEEDED IN HOUSE NOW

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

Mr. DOGGETT. Mr. Speaker, today, for the first time in this Congress, Democratic determination has produced some results on reducing the influence of special interest campaign money.

A debate is under way at this very moment in this very building on specific bipartisan campaign finance reform, the McCain-Feingold proposal. But it is not enough that reform pass the Senate. In my civics class we learned it has to pass the House of Representatives also. And what is the news on that subject? Today's banner headlines, "GINGRICH Asserts Campaign Bill, Alive in Senate, Is Dead in House."

The American people do not want this proposal stillborn in the House. We are pleased that there is a debate finally after so many Democratic demands underway, but it must occur in both parts of this Capitol Building, not just in one.

As we read on through the story, we learn we have the same problem with the Republican leadership. They say they want more money in campaigns, not less. We need reform now.

NO FEDERAL FUNDING OF STUDIES OF USE OF MIND-ALTERING DRUGS

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

Mr. BARR of Georgia. Mr. Speaker, we just adopted an amendment to the appropriations bill currently before this body that would prohibit, at least for those agencies and departments of this Government covered by that bill, H.R. 2267, that none of them can use any funds so appropriated for the study of legalization or so-called medicinal use of marijuana or other schedule I controlled substances.

Mr. Speaker, I wish it were not necessary to offer such amendments, but

it is. The fact of the matter is that even though our Office of National Drug Control Policy asserts under oath and in writing that it is neither the intent nor the purpose of this administration to expend taxpayer moneys for such purposes, such as the medicinal use of marijuana or other drugs or the legalization thereof, they are in fact doing so.

Therefore, these amendments become necessary to stop this administration from talking out of both sides of its mouth on drug policy. This amendment and others I intend to offer on spending bills will send a very clear message to the taxpayers of this country that they are not going to have to continue to fund the study of legalization of mind-altering drugs.

DEBATE NEEDED IN HOUSE ON CAMPAIGN FINANCE REFORM

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

Mr. MILLER of California. Mr. Speaker, this is the people's House. This is where the debate of our constituents is supposed to take place by those who have been elected by them.

But we cannot have a debate, apparently, in the people's House on campaign finance reform, and yet it is campaign contributions and soft money contributions to campaigns that is distorting the decisions that are being made in this House. It is campaign contributions that allow a $50 billion tax break to be given to the tobacco companies in the middle of the night, with no vote, no discussion, and no debate.

In the other body, in the U.S. Senate, they are starting the debate on campaign finance reform. But here, because of Speaker GINGRICH, Majority Leader ARMEY, we are told we cannot debate that in the people's House.

We need to have that debate. We need to free the people's House from the influence of soft money and special interest contributions that are corrupting the legislative process and are corrupting the democratic process in this country. No longer can we have the decisions being made based upon who gave you a contribution.

THE JOURNAL

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, the pending business is the question of agreeing to the Speaker's approval of the Journal of the last day's proceedings.

The question is on the Speaker's approval of the Journal.

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

ADJOURNMENT TO MONDAY, SEPTEMBER 29, 1997

Mr. MILLER of Florida. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 10:30 a.m. on Monday next for morning hour debates.

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

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. MILLER of Florida. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

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

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

CAMPAIGN FINANCE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. DOGGETT] is recognized for 5 minutes.

Mr. DOGGETT. Mr. Speaker, it is really now or never. Either this Congress acts now to remedy at least some of the shortcomings of the 1996 campaigns and the way that they are financed, or we can kiss good-bye to any hope of reform in time to affect the 1998 elections.

Many Americans have been concerned about practices and events that occurred in both of the political parties during the 1996 elections. But the time is today to decide, are we going to do anything about it, or just talk about it a little bit more?

Fortunately, the determination of Democrats in the U.S. Senate is leading to action today. As I speak here, in the Senate a specific proposal to change the way campaigns operate is being debated fully, and I am sure it will be discussed over the next several days there. After considerable obstruction by Republicans and the leadership and probably more obstruction to come, there is at least a debate going on there, according to agreed terms.

But here in the House of Representatives, where this proposal must also be approved, we read in this morning's paper, "Gingrich asserts campaign bill, alive in Senate, is dead in house."

Indeed, we find ourselves in a situation where, back in 1995, that same Speaker GINGRICH shook hands with President Clinton and said he wanted to achieve bipartisan campaign finance reform. That is essentially the last we heard of it. The smile had hardly faded before the interest in reforming campaigns, which could have been in place for the 1996 elections, was forgotten. Nothing happened until the eve of the elections, when a contrived proposal was brought here on a very short notice for 1 hour, and even many of our Republican colleagues rejected it, because it was not reform. Rather, it was the kind of proposal that was condemned by every good government group that had worked to reform our campaign and election laws in the past.

I prefer the kind of comprehensive reform that Mr. MCCAIN, a Republican, and Mr. FEINGOLD, a Democrat, are urging over in the Senate. But whatever the approach that we might take to reform this system, and there may be many good ideas, there have been many proposals advanced, the question is, Will we have a firm day now in terms of debate that provide for full and fair discussion of the proposals?

I must say that this same story from this morning's paper is not very encouraging in that regard. It does point out, as for the House, Republican leaders have been publicly silent, until this week, on the idea of bringing up the campaign finance bill, even as Democrats agitated daily for a vote on this issue.

We have had to file motions to adjourn, to approve the Journal, to count the votes, to do these various things, because under our rules, we have no other mechanism to adjourn the special interests that want to dominate this House and that have influenced legislation with the $50 billion tax break for tobacco companies and so many other ways this year.

You give the most soft money in the first 6 months, and in the seventh month you get a $50 billion tax break that all the rest of us have to pay for. That is wrong. But it is not just a matter of talking about it up here and talking about it in the Senate. We have got to do something about it. And the "something" is comprehensive reform that is scheduled now.

But if we read on in this morning's paper, what we learn is that the kind of reform that the Speaker says might come up sometime this fall, and fall has already begun, is not reform, but it would allow unlimited personal contributions.

□ 1215

He wants to solve the problem of big money influence on this body that is crippling the operation of our Congress; he wants to solve the big money problem by making it bigger. Let the big boys give what they are giving now, and let them give any amount they want to do to influence the priorities of this Congress. That is not reform, it is repealing the only reforms that we have been able to get on the books thus far.

We need a real reform, not a repeal of the existing law, little as it is, to try to control the way the system has operated, and that real reform could come as early as next week.

I am pleased that this same story reports that our leader, the gentleman from Missouri, [Mr. GEPHARDT], has written to Speaker GINGRICH and he has said, "Until we receive your commitment to follow through on rhetorical offerings," and that is all we have had, "we shall not treat these overtures as serious," and certainly they should not be, "and we will continue our efforts to force action to daily floor proceedings."

That is precisely what will occur on this floor on next Monday, and it is precisely what will occur in the future. Until we get fair play in this House, until the American people have a chance to see specific proposals out here, we will have other procedural votes to get the American people the reform that they deserve.

BUDGET PRIORITIES FOR AMERICA

The SPEAKER pro tempore (Mr. MILLER of Florida). Under a previous order of the House, the gentleman from Texas [Mr. PAUL] is recognized for 5 minutes.

Mr. PAUL. Mr. Speaker, just a short while ago we had a vote to cut $54 million out of the U.N. appropriation. The vote tally was 242 to 165, 165 in favor of cutting this $54 million of so-called past dues.

I want to compliment the gentleman from Maryland [Mr. BARTLETT] for bringing to this our attention, because I think it is a very important point, because we are never reimbursed for all of the peacekeeping missions throughout the world. Therefore, they actually owe us, we do not owe them. So it is rather sad to see that we, as a Congress, cannot rectify this; instead, we vote more funds for the United Nations.

Of course, I do not hide the fact that I do not think a lot about the United Nations. I think ultimately it is very detrimental to America's policy and very detrimental to our sovereignty, so I have a specific agenda in that regard.

Actually, the problems we face with the United Nations can be solved, because there has been a compromise offered. Instead of abolishing the United Nations like I would like to do, I think Ted Turner has offered us a real solution. Ted Turner is a very wealthy man, has made a lot of money in the capital system, and he is voluntarily willing to submit $1 billion to continue with the United Nations, and I think that is fine. I think the United Nations ought to be funded by donations such as from Ted Turner. An additional advantage of having Ted Turner send his money to the United Nations, we can be assured that with the next war started by the United Nations, we can send Jane Fonda to do the fighting for us.

On another subject, I want to just mention something about the recent discussions we have had here on the floor here in the last week on the pay raise. I am not in favor of the pay raise. I voted against the pay raise. As a matter of fact, I think our pension fund is outrageously obscene, and I do not participate in it. But in comparison to some other matters, I think the amount of attention that we gave to the pay raise is probably a little bit more than needed to be done.

For instance, the pay raise, after taxes, would come to $40 a week, but nevertheless, I think the point was well taken that we should not be taking a pay raise when so many people in this country are actually suffering the consequence of a decreasing standard of living. Until we solve that, I do not believe we should be taking a pay raise. That so-called pay raise would have been a 2.3-percent COLA increase.

But in comparison to what we were doing in the particular bill that that was attached to, the Treasury-Postal Service appropriation, informed many Members of the Congress that were not aware of it, but in this bill, we actually increase the budget for the IRS by more than a half a billion dollars. At the same time we hold these grand hearings, make grand speeches against the IRS, and at the very same time we are expanding the role and the power and the authority of the IRS by expanding their budget by more than a half a billion dollars.

Then there is another agency of government that is probably the second least favorite of mine to the IRS, and that is the BATF. The BATF budget was increased 14 percent. It went up $66 million. So at the time we were talking about a small cost-of-living increase for Congress, which again I oppose, we at the same time were pretending that we were fighting this IRS and the abuse of the IRS, but expanding the role of the IRS.

I think what we need to do is get things in perspective. I think that first off, we should exist here for the liberty, protection of liberties of American citizens; we should be protecting the sovereignty of the United States; we should not be paying the dues out of proportion to what everybody else pays throughout the world at the same time we sacrifice much of our liberties and we live in a nation today where our troops are actually serving under the commanders of foreign generals. Everybody I talk to, everybody in my district I talk to, they do not like this. They would like to see this change.

So once again, I would like to express the sadness about the recent vote that we could not even cut the $54 million away from what is called overdue back dues for the United Nations. I think it is so important that we put all of this in perspective. Yes, we do not need pay raises, but we certainly do not need to raise the amount of money we give the IRS and the BATF.

CAMPAIGN FINANCE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. MILLER] is recognized for 5 minutes.

Mr. MILLER of California. Mr. Speaker, Members of the House, the pictures that have been painted in the hearings in the Senate and in the disclosures by national news media about what took place in the last campaign is not a pretty picture for the American people.

In fact, I am sure it is quite painful when they see that the last campaign of what we call soft money, that is money that essentially is not regulated by Federal campaign laws, was made in contributions to both parties, both major parties in this country, in huge amounts by individuals, and the story that unfolds is that that soft money was all about access. It was all about access to the White House; it was all about access to the Republican committee chairmen in the House, and the Republican committee chairmen in the Senate, and the leadership in the House and in the Senate. Letters went out and told people, if they gave $10,000, they could have lunch with chairman of the Subcommittee on Telecommunications, Trade, and Consumer Protection, or the Committee on Labor, or the Committee on Ways and Means, or in the Senate one could have lunch or dinner or a private meeting, and for $25,000 one could be in on strategy sessions.

The average American could not even dream of being in on one of those sessions. But that soft money then started to dictate, as we saw in the previous session, even before this election, lobbyists and powerful people sitting in the offices of the Republican leadership drafting legislation to weaken the Clean Air Act, to weaken the Clean Water Act, to weaken the health safety acts that protect our families and children against unhealthy food, to weaken the meat inspection act after people have died because of bad meat in the marketplace. But the lobbyists, they had access, because they gave $10,000, they gave $100,000. And the crescendo really came in campaign finance reform, or really about bad campaign practices, the crescendo came just about 1 month ago or 2 months ago when we did the Balanced Budget Tax Relief Act.

Members in this House voted on an act believing they were balancing the budget and providing tax relief. However, later we found out that the interests, the tobacco interests that gave

the most money to the Republican Party, to the leadership, the individual Members of the Republican leadership, they were able to get a meeting that no other American could get. They were able to get a meeting where in the middle of the night, with no vote, no hearing, no discussion, and apparently, if we listen to the people, no authors, but an amendment got into that bill that provided $50-, 5-0, $50 billion in tax breaks for the tobacco companies that have been killing our citizens and lying about it for 50 years.

How did they do it? They did it because they gave hundreds of thousands of dollars to members of the leadership, to the Republican Party, to the Republican conventions, and the payoff day was the day that bill was passed.

Now, fortunately, because of Senator DURBIN over on the other side and Senator COLLINS and the gentlewoman from New York, Mrs. LOWEY, here, when they made us vote in the light of the day, it went away, because we shined democracy, we shined light, we shined the public perception. The press could see what was going on, and nobody would claim that amendment. But a few hundred thousand dollars got the amendment into the bill.

That is why we have been having procedural votes in this House, because we have to end this system that allows the people to sit in the galleries, but the special interests to sit in the office of the Speaker and the majority whip and design legislation; that allows the people to stand outside and petition us on the steps, but allows the special interests to sit down and have dinner and talk about how they can redesign the communications business and who gets access to this billion-dollar giveaway and that billion-dollar giveaway, and the networks will not be charged for using the public airways. That is what has to stop. That is what this week was about.

Finally, finally, after this week, we get some utterances from the other side that maybe they will allow a debate on campaign finance reform. They will not tell us when, they will not tell us how, and they are not even sure they will do it.

We deserve better, and the American people deserve better. The U.S. Senate today has started debate on campaign finance reform, and yet in the House we cannot even discuss it. We cannot even discuss it because of huge contributions to the Republican leadership.

The SPEAKER pro tempore. The Chair reminds all Members not to refer to individual Senators or to characterize Senate action or inaction.

ENERGY POLICY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. SHIMKUS] is recognized for 5 minutes.

Mr. SHIMKUS. Mr. Speaker, in 1992, Congress passed the Energy Policy Act which set Federal requirements on the use of alternative fuel vehicles such as ethanol-powered cars. This legislation required Federal, State, and city fleets to use vehicles that are cleaner and better for our environment. This act listed fuels and vehicle types that can be used by fleet managers to comply with this act.

Unfortunately, biodiesel was not one of the listed alternative fuels at the time because the industry was new, untested, unproven. However, today, that is not the case. As a result, I am introducing a bill, along with the gentlewoman from Missouri [Ms. MCCARTHY], to classify biodiesel as an alternative fuel under the Energy Policy Act of 1992.

Biodiesel is a renewable alternative fuel for diesel engines derived from soybeans. Once biodiesel is classified as an alternative fuel under this bill, it will be used immediately in conventional diesel engines with no engine modifications needed. A few examples of the type of vehicles using this B-20 mix are heavy-duty fleet vehicles such as city buses, boats, and trucks.

The diesel engines will use biodiesel in blends of 20 percent biodiesel and 80 percent petroleum diesel, which is the most efficient, energy-efficient, and environmentally beneficial mix.

□ 1230

The use of biodiesel will help to save on capital expenditures as fleets will be able to modify and improve their existing vehicles, as opposed to purchasing completely new fleets.

The production, sale, and use of biodiesel will create a new market for our farmers, and, in turn, boost our economy. Because it runs cleaner than regular diesel fuel, the use of biodiesel also means that fewer emissions, as an example, particulate matter, hydrocarbons, and carbon monoxide, are released to our environment.

By granting alternative fuel status to biodiesel this bill will promote economic development and energy security. Biodiesel means jobs and tax revenues for processing a greater portion of our domestic soybean oil in the United States.

The emerging biodiesel market offers a stable, long-term market for efficiently produced domestic soybeans that will directly benefit American farmers. The use of domestic biodiesel also improves national energy security by displacing imported energy, such as foreign oil.

It is important to note that this legislation does not create a tax break or a new Federal mandate. This bill will simply allow the biodiesel industry to compete in the alternative fuel market, giving fleet vehicle managers more flexibility in complying with the mandates required at the Federal level.

The production, sale, and use of biodiesel is good for the environment, good for family farmers, good for the economy, and good for our energy security. As a Congressman from one of the largest agricultural producer States in the United States, creating new markets for our family farmers, helping the economy, and keeping our air clean is very important to me.

In a time that we are looking for answers to environmental concerns, new markets for family farmers and a boost for the economy and energy security, biodiesel makes sense for everyone.

THE HOUSE LEADERSHIP SHOULD SCHEDULE DEBATE AND A VOTE ON CAMPAIGN FINANCE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington, [Mr. SMITH] is recognized for 5 minutes.

Mr. ADAM SMITH of Washington. Mr. Speaker, I rise today to echo the comments of my colleagues and urge that this body bring up campaign finance reform and pass meaningful campaign finance reform in this session.

I think the biggest reason I want to see this happen is because of the lack of confidence that the public has in this body. There is a crisis in our democracy that I think too few people have noticed; that is, the majority of the citizens of this democracy do not have trust and confidence in their government. That is essential in a democracy. The people are the government. If they do not trust us, we have a crisis that blocks our ability to stand up to almost any meaningful issue.

I have said before that it is impossible to lead if no one is willing to follow. We cannot step up to problems like health care, Social Security and Medicare reform, balancing the budget, or education. A lot of meaningful issues have taken longer and longer to deal with because the public does not trust its leaders.

There are a lot of reasons for that. Some of them are justified and some of them are not, admittedly. One reason for the distrust is the system by which we elect our Representatives, the system by which we finance campaigns. There is a perception and a reality out there that the campaigns are funded almost exclusively by people with a lot of money. If you do not have a lot of money to bring to the process, you have no access to the process, and that has turned people off. We are seeing lower and lower numbers of people participating in the system. We need to show them that we can change this system in order to get their confidence back, so we can govern again.

Ironically, I have heard a lot of my colleagues tell me that, gosh, when we go home for town meetings, when we talk to people, no one is talking about

campaign finance reform. It is not really an issue they care about. It is not a so-called pocketbook issue. It does not directly affect their ability to get a job or feed their family or educate their children, so therefore, they really do not care about it.

But what I have heard when I go home on the weekend, and go out and talk to the people in my district, is the reason they do not care about it is because they do not think we are going to do anything about it.

We sort of have a self-fulfilling prophecy with Members of Congress saying, gosh, the public does not care, and not doing anything about it, so yes, the public does not care because they do not think anything is going to happen. They do not believe this body is ever going to step up to the plate and change it, because they think we are comfortable in the current system.

If we want them to care about it, we have to show them we are serious about it. That is the first point. The second point is, they do care about it on a deeper level. They care about it in the sense that they do not trust the system of government. We do not want a democracy where the people do not care about their system of government.

We cannot say we do not need to step up to an issue because apathy has overtaken it. We need an active and involved electorate in a democracy, if we are truly going to be able to represent the people. That means we need to pass campaign finance reform.

I rise specifically in support of House bill 1776, which is the updated version of the Shays-Meehan bill. I do that because there are two very important aspects to that bill. First of all, it bans soft money. I do not believe that there is anything wrong with people participating in our election system. I, for one, do not believe that we should go to an exclusively publicly financed system. I think it is very important that the members of a community are personally involved in campaigns, that they support the candidates that they like and get involved in the process so they are more involved in it down the road. It is important that people contribute.

The only time we have a problem is when those contributions are so large from certain people as to drown out the rest. When someone has the ability to give $100,000, $200,000, $300,000 to a system, I can readily understand how one of my constituents says, gosh, all I can do is afford to give $50, and what difference does it make, if the politicians are going to get $100,000, $200,000, $300,000 from somebody else?

Back in the 1970's we came up with a reform proposal to deal with this. We placed limits on the amount people could contribute: $1,000 for an individual, $5,000 for a group of individuals, what is known as a PAC. I think that is perfectly appropriate. Those are real limits that allow everybody to participate up to a certain point.

The problem is, with soft money those limits are meaningless. We see fundraisers every day around here for $5,000, $10,000, as much as $25,000 or $50,000 a person. I remember hearing a story from somebody about how many $100,000 contributors Michael Dukakis had back in 1988, and I was stunned by this notion. I said, but there are limits, $1,000 per person. How could any Presidential candidates have a $100,000 contributor? The answer of course was it was soft money.

It was interesting to me. The person who was telling this made no distinction whatsoever between the soft money contribution and the individual contribution. There is a very good reason for that. Around the halls of Washington, DC, there is no distinction. Soft money has rendered limits meaningless. We need to ban soft money in order to make those 1970 reforms have some meaning.

I can understand the cynicism of the public in dealing with that issue. I urge that we support campaign finance reform. The other aspect of the bill that I like is putting some teeth in the Federal Elections Commission and actually enforcing the laws.

INCLUDE THE BECK DECISION IN CAMPAIGN FINANCE REFORM AND REPUBLICANS WILL SUPPORT IT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. CUNNINGHAM] is recognized for 5 minutes.

Mr. CUNNINGHAM. Mr. Speaker, we have heard a lot about campaign finance reform. There are a lot of us that would like to do it and have it brought before the floor. But do we think the Democrats would include the Beck decision, where the union bosses cooperatively hold hostage their workers to contribute to their campaigns and their finances?

The gentleman from Nevada, Mr. JOHN ENSIGN, in Las Vegas, NV, had $1 million put against him just by the unions, coordinated by the DNC. The gentlewoman from Idaho, Mrs. HELEN CHENOWETH had $1 million by the unions, coordinated by the DNC against one candidate. What about the gentlewoman from Idaho, Mrs. CHENOWETH, what about the gentleman from Arizona, Mr. J.D. HAYWORTH, $1 million by the DNC?

Thirty percent of the workers in the unions are Republican. About another 10 percent are independent. So that is 40 percent of the population that is being forced with union wages to contribute, and then that money is being used against Republicans, against their will. But do the Democrats want the Beck decision in any campaign finance reform? Absolutely not, because it takes the power of the union bosses away.

Unions only represent about 6 percent of the work force in this entire Nation, 6 percent. Yet, they say they stand for the working person. Small business and business makes up about 94 percent of all the jobs in this country. They say they are for the working person, but union legislation, from strikebreaker on down, is there to combat and fight against and destroy small business.

My colleague, the gentleman from California, talks about campaign finance reform and its influence. Let me read this:

The proletariat will use all political supremacy wrested by the position of the ruling class to establish democracy.

Have we heard anything about class warfare on this floor by the gentleman from California? The proletariat will use political supremacy to centralize all instruments of production in the hands of the state. One, abolish all private property. Over 50 percent of California is owned by the government. Yet, the gentleman from California in the California Desert plan would have more and more and more lands put in there.

Heavy progressive income taxes. The unions supported the Democrats because they want big government. They want the power centralized in Washington. They use big government, which causes higher taxes, which causes people and small business to die every single day, and jobs. And the union bosses force this, but yet it is supported by the gentleman from California.

Second, abolishing the right of inheritance: the death tax. Where do these three things come from? Where does property, private property abolition, heavy progressive taxes, inheritance tax, come from? It comes from the Communist Manifesto, written by Carl Marx and Engels.

What else do they have in this, in their plan? Centralization of credit in the hands of the state. No. 8: equal obligation of all to work, but control by unions, organized unions, right here in the Communist Manifesto.

Free education for all. That is not bad, but it is controlled in the hands of the state.

Let me read here. The gentleman from California, union, $2,000. The gentleman from California, union, $5,000. The gentleman from California, union, $1,200. The gentleman from California, union; American, Federal, State and County, union, $4,500; American Maritime, union, $1,000; union, $1,000; union, $500; union, $1,000; union, $1,000; union, $500; union, for the gentleman from California, $5,000; union, $2,000; union $500; union, $1,500; on and on and on, and pages from unions. Yet, do they

want the union and the Beck decision put into campaign finance reform? Absolutely not. They want to do away with a normal progression.

What is a PAC, Mr. Speaker? A PAC is a group of businesses or organizations for a single purpose. They band together to fight against the power of the unions to direct money against them.

Yes, we want campaign finance reform, but we want fair reform. Include the Beck decision in campaign finance reform and we will support it.

REPUBLICAN LEADERSHIP PREVENTS DEBATE ON CAMPAIGN FINANCE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. SNYDER] is recognized for 5 minutes.

Mr. SNYDER. Mr. Speaker, I appreciate the staff being around here on a Friday afternoon as we discuss these issues.

Mr. Speaker, the previous speaker talked about how he would like to know where we Democrats stand on some of these issues on campaign finance reform. We Democrats would like to know how everyone in this House stands on campaign finance reform, but until a bill is allowed to come to the House, we are not going to do anything.

The Democrats do not control the House right now, the Republican leadership controls that House. If they want to know how we stand on campaign finance reform, then let these issues come to the floor of the House. It is not our fault that there have not been votes on campaign finance reform, it is the fault of the Republican leadership that is now in control of this House.

That is why, for this past week or so, we have seen a series of motions to adjourn and motions to rise, these kinds of procedural votes, trying to send a message to the Republican leadership: we have important work to do on campaign finance reform, and we have got to do a better job of bringing that issue to the floor of the House before we can move ahead on other matters.

Why do we care about campaign finance reform? What do we see as the problem under the current law? I brought a sample check here. Members are obviously going to be able to tell it is not a real check because it is signed by my friend, Ima Big Donor.

Ms. Big Donor decided she wanted to make a contribution to the political party of her choice, any old political party. She decided, like Mr. Ted Turner, that she had done well in the market in the last year, and she was going to donate extra money that she had to her political party. So she made out the check for $1 billion, $1 billion, enough to fund a thousand political House campaigns.

We might think, well, surely under current law the $1 billion check would be illegal, since I as an individual can only give $1,000 to a candidate. But no, under our current system of law, there is unlimited ability to donate money to the political parties, whether you are an individual, whether you are a union, or whether you are a corporation.

Why would someone like Mrs. Big Donor want to donate $1 billion? Just check her check: for access, for access. Is that not what Mr. Tamraz testified to last week before the Senate committee?

□ 1245

Why would he give $300,000? Why would he give $600,000? For access. He is not a fool. It got him in the doors he wanted to get in. This is legal under our current system and it needs to be reformed.

I am one of those candidates that does not like to raise money. I do not think many candidates like to raise money. I think raising money makes us weird. Raising this kind of big money makes our democracy weird, and the American people want to change that system.

Until the Republican leadership lets campaign finance reform bills come to the House for discussion, we are not only not going to know how everyone wants to vote on these things, but the American people are not going to see the kind of changes and reform that they want.

Mr. Speaker, I yield to the gentlewoman from Connecticut.

Ms. DELAURO. I thank the gentleman for yielding to me, and I would just say that he is absolutely right, because the fact of the matter is, and what Democrats have been calling for for the last several weeks by asking for procedural votes, motions to adjourn, et cetera, was an effort to bring to the floor, because the Republican majority in this House, the Speaker of the House, Mr. GINGRICH, will not allow us to bring up the issue of campaign finance reform. The only tools that are available to the minority party are procedural votes. So the public understands what is going on here.

The fact of the matter is, on both sides of the aisle we need to have a thorough and a complete conversation and debate about campaign finance reform. They do not want to let us. And I will tell my colleagues why they do not want to let us. If we read Mr. GINGRICH in the paper today, the Speaker will support a bill that let the good times roll; open up the floodgates; allow all kinds of money to come into the system.

My colleagues, it is not the kind of reform the American people are looking for. What he says is that there is not enough money in politics; we need more money in politics. The Washington Post has said 8 in 10 Americans believe money has too much influence on who wins elections, but the Speaker says we need more money.

Our colleague on the other side of the aisle just a minute ago was talking about influence in the process. If we want to talk about influence, which the American public gets in a second, $50 billion in a tax break to the tobacco industry, not just a few weeks ago, and guess who was the single biggest contributor to the Republican campaign in the last election? It does not take a rocket scientist to figure it out. The tobacco industry.

And, fortunately, in the Senate and in this body, we said no to that kind of a payoff. That is what we have to stop here, is to make sure that we have the opportunity to get the people in the process and get the specialists out of it.

Let me just say what even his colleague, the gentleman from Arkansas, has said about the Doolittle bill that the Speaker would support, would bring us back to the dark ages. Let us get out of the dark ages. Let us bring campaign finance reform into the light.

CAMPAIGN FINANCE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. TIERNEY] is recognized for 5 minutes.

Mr. TIERNEY. Mr. Speaker, I stand today to address the same issue many of my colleagues on this side of the aisle have addressed to date, and that is simply campaign finance reform, and once again reiterate that all of the procedural steps that have been seen over the past several weeks are, in fact, the only way that the minority can try to shed some light and focus the attention on this particular issue.

It has been made clear to us and to the American people that there is no current intention of the leadership on the majority side of this House to bring that issue forward for deliberation, for debate and for a vote. And while we are talking about this issue, I want to broaden the discussion a little bit, because once again I feel that the House of Representatives is going to be behind the States in taking action and way behind the American people as individuals.

When people talk about reforming the current system, they talk about something bold, they talk about actual reform. I do not believe there is a great deal of interest of people looking at incremental changes or marginal changes around the edges of what we have, rather we are talking about doing something fundamental because we need to have the confidence back in our system.

We need, in fact, to know that every piece of legislation we put out of this body has credibility so that the American people understand that it is their

business being done and not the business of a special few who can give not just hundreds of thousands of dollars but the $1,000, the $2,000. The small percentage of people in this country that actually contribute to campaigns should be no less certain that the $1,000 and $2,000 contributions of individuals get some sort of access than they are about the hundreds of thousands or $200,000 contributions that are made in so-called soft money, which a friend of mine likens to money put into a blender. It is run through the blender so when it comes out nobody is sure where it came from. We have a right to know where the money comes from. We have a right to have control over our system.

Sometime ago, months ago, I put on the floor of this House a bill, H.R. 2199, entitled "Clean Money, Clean Election Campaign Finance Reform." It is modeled after what happened in Maine when the people in Maine took a referendum and decided they wanted to own their system; they wanted to have control over their electoral process and they would publicly fund the campaigns in that State.

They understood that if they were going to have people come down and do their business, they wanted to make sure that they knew who they were and that they had decided, just like big corporations invest in the selection of people that run their corporations, as voters they had to invest in knowing who was coming here. We have to make sure it is not the people that are funded by tobacco companies or other huge corporations, or individuals that are so well off or so vested in the process that they are putting forth the money in thousand dollar increments.

The States know it. The State of Maine went out in a referendum and put in a system. The legislature in Vermont went out and put in place a similar system. In a dozen polls across this country, in States that are considered to be liberal or progressive, in States considered conservative, the people have spoken out that they think public financing of campaigns is the way to proceed.

USA Today acclaims the States are leading the way in cleaning up campaigns. They talk about the fact that in Maine they have an even better idea than just putting limits in there, they are going to fund the campaigns so that they know that they own their own process.

The Boston Globe several weeks ago supported the concept. In Wisconsin, the Daily Tribune Wisconsin Rapids says public financing will give true reform. In St. Louis, the St. Louis Post Dispatch, in its editorial, says public financing is the answer.

The American people want their system back. This House fails to take a bold step on either side of the aisle. I think we have to understand that if the people are going to have confidence in this body they have to have confidence that we will do something, not just work around the margins and not proceed forward.

People want limited campaign seasons, not endless campaigns. They want to know their elected officials do not spend their life at fundraisers and on the phone asking for money. They want to know that the free air time is available to candidates because the spectrum that broadcasters get for free belongs to the American people. They want to make sure that there is an even and level playing field so that candidates, no matter what their personal wealth or no matter what their ability to get the attraction of large corporations or other big investors involved in their campaign, will have the ability, through good organization, through leadership abilities to go out and address the people and get elected.

A fair campaign that would attract candidates, that would get people involved in a process that we would know we as voters control is where this thing should be moving. The American people are there, certainly it is now finally being reflected in editorials, the AFL-CIO is willing to give the Beck decision or whatever else they want if we go to that system, and in fact the large donors and huge corporations the other day agreed and said they too are tired of giving money and they would go to that system.

Simply speaking, what we need to do is have a system like that that does not unilaterally disarm any party. That is what we need, is something everybody can coalesce behind.

CAMPAIGN FINANCE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. MEEHAN] is recognized for 5 minutes.

Mr. MEEHAN. Mr. Speaker, I would first like to yield to my colleague from Georgia [Mr. LEWIS].

Mr. LEWIS of Georgia. Mr. Chairman, let me thank my friend for yielding to me.

As the gentleman knows, the days and years roll by and more money continues to flow into Washington, hundreds, thousands, millions of dollars into campaigns, into political parties, and the Speaker of the House, the Speaker of the House, of the people's House, continues to say that it is not that it is too much money, it is not enough. He wants more money, unlimited amounts, to come into the House, into campaigns and to political parties.

Our present system is polluting the political process. It stinks. This is not the way to conduct the people's business, with hundreds, thousands and millions of dollars coming in. And the Speaker refuses to do anything; refuses to allow us to have a vote, a debate on campaign finance reform.

It is time, I think, my colleagues, that we say to the Speaker, "How long will you wait?" This is not in keeping with the democratic process. Let us have a vote. Let us have a clean debate on campaign finance reform. That must take place if we are going to restore a sense of faith and trust and confidence in the democratic process in America.

Mr. MEEHAN. I thank my colleague from Georgia, and let me just say that I woke up this morning and reads the headlines of the newspapers, and I think everyone in America has looked and seen that the Democrats have been trying to delay and procrastinate in the procedures and shut this place down, if need be, in order to get a vote on campaign finance reform.

Now, all of us have looked at the newspapers and on television over the last months and there has been a lot of attention on the problems with our campaign finance system; the fact that there is too much money involved in American politics; the fact that here we are at a critical time and trying to protect America's children from tobacco, and we find the tobacco companies gave millions of dollars in the last election cycle; and the only way we will do anything about this is by forcing a debate on campaign finance reform.

Now, it is interesting that at the same time the other body is taking up campaign finance reform and taking up a bill that is sponsored by Senators MCCAIN and FEINGOLD, that has the support of nearly every newspaper in America, nearly every public interest group that has been working on campaign finance reform in America, that we find that the Speaker of the House, at the same time this bill is being debated, has a headline in the New York Times which reads "Gingrich Asserts Campaign Bill Is Dead in the House."

Well, I am joining with a Republican Member, the gentleman from Connecticut [Mr. CHRIS SHAYS], and a number of Members of the House, at 1 o'clock, and we are going to have a press conference to announce that campaign finance reform is not dead in the House. As a matter of fact, we are going to introduce early next week a revised reform bill based on a scaled-back McCain-Feingold, Shays-Meehan bill.

Now, what does it do? No. 1, it bans soft money. The fund-raising controversies that we have heard about by and large have been soft money, the ability of someone to go into the Speaker's office or go into the White House or anyplace else with a check for $50,000 or $100,000. That should be illegal.

We ought to have a vote on the floor of the House and let Members vote whether they think it should be illegal or not. Certainly 80 to 90 percent of the American public think it should be illegal. The Speaker thinks it ought to

be legal. He thinks there is not enough money being spent on campaigns in America, and that is the opposite of the truth.

The evidence is overwhelming that the time has come for campaign finance reform. The Speaker says that we need more money involved in this process. The truth is money is corrupting American politics and everyone knows it. We are going to file a bill that will ban soft money, that will give better disclosure requirements, greater disclosure and better enforcement from the Federal Election Commission.

All of us here today believe that the Speaker's desire to vastly increase the amount of money in the current system would be a disaster for democracy. I am confident that the Members of this House are going to stand up to the Speaker and, if we need to do it, we will file a discharge petition and require that there be a vote on the floor of this House to ban soft money.

One person cannot stand in the way of campaign finance reform, and I believe that the membership of this House is ready to take on Speaker GINGRICH and require that there be a vote on campaign finance reform and a vote to abolish soft money.

FAST-TRACK TRADE NEGOTIATIONS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Michigan [Mr. BONIOR] is recognized for 60 minutes as the designee of the minority leader.

Mr. BONIOR. Mr. Speaker, before I begin my remarks about trade, let me associate myself with the remarks of my colleagues who have spoken this afternoon on the issue of campaign reform.

The system in the country is broken. If we ever needed any more evidence of its dilapidated state, all we have to do is pick the morning papers up, listen to the morning radio, watch the evening news. It is zapping the energy, the integrity, the heart of the Democratic system in our country today.

□ 1300

The present system is a disaster. It needs to be scrapped. People spend too much time raising money, going after money, and not enough time focusing on the problems that face this country. I believe we are in a process of watching it die. And it will die, and it will come down.

As my friends and colleagues have said in these last 30 or 40 minutes, they on this side of the aisle, for the most part, do not get it. The Speaker wants to spend more money. He wants to provide more access to the big boys and take away our ability to have a say in what happens in this very building.

So, Mr. Speaker, I just wanted to add those notes before I talk about fast track.

Fast track is probably, I could make a transition here, but I will not at this point. I will save that for another day because there is a transition to be made with respect to our trade policies and how this institution operates and how this city operates.

As the vote over NAFTA expansion gets closer, there are a lot of people who are calling for attention. Some are politicians. Some are CEO's. Some speak for farmers. Others stand for labor. Some hire consultants. Some go on TV. Even cartoon characters like Donald Duck and Mickey Mouse have lobbyists in this building and downtown looking after them.

All of these interests have a voice, and they are shouting to be heard. But some of the people with the most at stake in this debate have been silent, or are silent. They do not have a choice. They do not have a choice voice. I am talking about children. I want to talk a little about children before I get into the heart of the trade issue because I believe this gets to the heart of the trade issue.

As many as 11 million children today toil day after day in the fields and in the factories of Mexico. They pick tomatoes. They pick onions. They pick strawberries. They glue soles on shoes. They unload and load crates of produce that weigh more than they do.

Starting at 7 years of age, millions of Mexican children are kept out of school and are forced to work, often exposing them to the most dangerous pesticides and toxins. And we say, "well, is not child labor prohibited under NAFTA?" Sure it is. But the Mexican Government just looks the other way. And what is even worse, multinational corporations in this country, employers who go over and establish businesses in Mexico, and this Government of ours looks the other way as well.

According to the U.S. News and World Report, the three NAFTA governments have not filed a single complaint in Mexican child labor even though it is commonplace, not a single complaint. I am willing to bet that of all the experts touting NAFTA, of all the armchair economists, of all of those pushing fast track expansion today, none of them would want their kids, children, quitting elementary school to pick tomatoes laced with pesticides.

Are they really willing to sacrifice their education, the health and the future of poor Mexican children, at the altar of free trade? Child labor does not just affect lives in Mexico. It is putting downward pressure on the standards in the United States.

How does this work? We say to ourselves, "What has this got to do with America? What has this got to do with our workers? What has this got to do with our industries?" Well, how can a tomato farmer in Florida who adheres to our labor and environmental standards compete with someone who pays children pennies an hour and who pollutes with impunity?

That is what our workers are up against, our business people are up against, companies that pollute with impunity with these toxins and pesticides, pesticides, by the way, that got into the strawberries, came into this country. One hundred seventy-nine children in Michigan were poisoned with strawberries that were contaminated, some very seriously, life-or-death situations, because those vegetables and those fruits are not checked.

We say, "Well, do they not inspect them when they come into the border?" 3.3 million trucks go across that border every year, 10,000 trucks a day. Do my colleagues know how many of them get inspected? One percent. They call it a wave line. The inspector stands there and waves them on through. The line stretches for miles, truckers honking their horns, and they just wave them on through.

It is not contaminated fruits and vegetables that get through into our market now. It is also what else is in the compartment of those trucks; like 70 percent of all the cocaine that comes into the United States comes from Mexico today. That is another story.

Let me get back to that tomato farmer. He or she cannot compete with what is coming in from Mexico today because in Mexico we have got kids that are 7, 8, 9 picking it for pennies, and we have got pesticides and toxins that are prohibited here being used.

That is why America's trade agreements must include strong, enforceable protection for workers and the environment. That is why we have been coming to the floor day after day, week after week, month after month, saying, Mr. President, colleagues on this side of the aisle, some of my own colleagues, these are the standards that we need to have as we move into this new century of ours. We will be setting the pattern in this fast track on what will be negotiated in trade for the next century.

We cannot stay with the policies that take us back to the conditions of the 19th century, and that is what the administration's policy basically does. It will move us down on wages, on working conditions, on health conditions to a 19th century standard. It will take us back in the past. We need to move people forward. We need to have Mexican workers and Chilean workers and their environments meet the standards that we have established here in the United States rather than our workers coming down to their standards.

Our trade agreement should harness the power of markets to lift standards abroad, not lower ours. And if we sacrifice our standards, we sacrifice not only standards, but the values, the values that literally hundreds of thousands of workers over the last 100 years

in this country sacrificed for. And when I say "sacrificed," we have to kind of flashback in our memories to what our grandparents and our parents did to make sure we got an 8-hour day, a 40-hour workweek, to make sure they got proper medical care, they got health insurance, they got pensions, they got decent wages, they got the right to collective bargaining, they got the right to strike. They got all these rights so they could harness their energies and create the most viable and vibrant middle class in the history of the world.

And now all these things are being eroded because these benefits that were gotten oftentimes by people who marched, who went to jail, who were beaten, some even died in order for these rights in this country, they are being eroded by the fact that companies are moving over to Mexico and other places that do not enforce these rights; and then these companies in this country say, well, we will move our facilities down to Mexico if you do not agree to a wage freeze, if you do not agree to a benefit freeze, if you do not agree to these environmental concerns that we have.

And do not take my word for it. There was a study done by a woman by the name of Kate Brothenbrenner from Cornell University. She found that 62 percent of corporations in America today, 62 percent, have used the NAFTA agreement and similar agreements to bring down or to pressure employees to keep wages and benefits at the same or a lower level. Now that is an incredible downward pressure on benefits and wages that people have fought for for the last 100 years.

Profiting from child labor runs contrary to everything America stands for. Remember the soccer ball situation we had in this country? American kids became aware that they were out there on Saturday and Sunday kicking that soccer ball after school, and someone told them that the people that were stitching those soccer balls together were 6-, 7- and 8-year-olds in Pakistan, who were working 10 hours a day, not going to school, not getting any of the things that they were having, in order for American children to play soccer. So a campaign erupted in this country in which children all over the country and teachers and coaches made an effort to change that. And we changed it. We put pressure, and we changed it.

We need to do the same thing with respect to child labor in Mexico and other parts of this planet that exploit children. If we continue to look the other way instead of addressing it effectively and forcefully in our trade agreements, we betray our values, and we betray our children.

Now let me talk about something else. The administration would like to have fast track in time for the President's trip to South America next month. Beginning on November 12, the President is scheduled to make visits to Venezuela, Brazil, and Argentina in order to develop support for creating a free-trade area for the Americas.

For months now the administration has been saying that it is crucial for fast track to be passed by the House before this trip, that it will demonstrate American leadership. Of course, the administration only sent up fast track proposal to Congress last week, and already we know that the fast track that they are asking us to pass is actually a step backward from the Reagan-Bush administration fast track that they used, by the way, to pass NAFTA 4 years ago.

Many of us have said that a new trade negotiating authority must look forward and address issues that have been neglected so far in our trade agreements, because the reality of this phenomenon we call globalization is that workers, our environment, and our food is as affected by these changes as intellectual property, as telecommunications, as automobile production. And those things are protected, the latter thing that I mentioned. Intellectual property, Mickey Mouse and Donald Duck, and Bill Gates, they are protected. Their property is protected. Automobile production, protected. But when it comes to workers' standards, no, no. The difference is that intellectual property and all these things that I talked about and content laws do get addressed, but safe and fair working conditions, environmental standards and ensuring that imported food is safe do not get addressed.

Instead of incorporating these issues into trade negotiations more fully and completely, this fast track proposal actually restricts our ability to include legitimate issues in trade agreements that directly impact consumers and workers. It is clearly, clearly a step backward.

We propose that American leadership be used to develop a trade agreement with Latin America that will lift workers up, not tie them down. We cannot let this fast track be used simply to expand NAFTA, because we know it will not work.

Look at the last 4 years and the impact NAFTA has had on wages and the environment and on food and even on drugs. It is a horrible record. But we are being asked to endorse this record. We are being asked to sanction it, to put our stamp of approval on it, to give it our blessing, to ignore the flaws as they expand NAFTA to other countries in this hemisphere.

The same old argument is being trotted out again as to why we must pass fast track quickly and expand NAFTA. The administration says it is essential that they have this, otherwise they will be left behind in South America; we will lose out to Europe. But that argument does not stand up to the test. They used it 4 years ago to sell us NAFTA.

The NAFTA proponents were saying back then, "If we do not pass NAFTA, Europe and Japan will get into Mexico, and they will lock us out. We will lose out." And the Japanese laughed at that statement, by the way. And the record of NAFTA shows a much different story.

Before NAFTA, the United States had a trade surplus of nearly $2 billion with Mexico. After NAFTA, the surplus has deteriorated to the point where we have a $16 billion trade deficit. That means they sell us $16 billion more than we sell them. I want to talk about what they actually sell us because that is kind of a strange figure. I will get to that in just a second.

We do not sell to their middle class because their middle class is eroding. They lost 8 million people in the middle class since NAFTA in Mexico, 8 million people. They used to pay their workers $1 an hour. They pay them now 70 cents an hour, because there is no collective organization to help workers raise their standards to ours. There is no enforcement of the laws in Mexico to do that. There is no enforcement to keep their environment clean, or at least to clean up their environment.

"How did Europe and Japan fare in Mexico?" my colleagues ask. "Did they get locked out?" The answer is no. In fact, they are doing much better than us. Europe and Japan had a trade surplus with Mexico before NAFTA. But unlike the United States, they have maintained their trade surplus with Mexico, even through the Mexico peso crash in 1994.

On a trip through the maquilladora zone along the United States-Mexican border, we see names like Sony and Samsung along with United States companies. Asia is fully into Mexico today. I do not want history to repeat itself, because we are being given the same warnings about South America.

The truth is that we are doing very well today in South America. Our exports are up 19 percent over last year, without fast track. We have doubled our trade surplus with South America to 3.6 billion without fast track. We are not losing out. We are winning. But if we expand a bad trade deal like NAFTA to South America, I will be willing to bet that South America will go the way of Mexico and, for that matter, Japan and China.

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After 4 years of experience with NAFTA the American people certainly are not being fooled by big corporate campaigns to expand NAFTA at this time. In fact they are very much opposed to the President's fast track proposal.

I have a little chart I want to show my colleagues here; it is a poll that was done recently. By a 2 to 1 margin the American people oppose fast track, according to the Wall Street Journal-NBC poll. Most Americans believe that trade deals benefit multinational corporations at the expense of working families. This figure was taken from a poll done for the Democratic Leadership Council, by the way, which supports fast track. Also by a 2 to 1 margin the American people believe that labor and environmental and human rights issues should be included in trade agreements. Eighty-three percent of Americans say, "What's the rush with fast track?" according to this poll. And, finally, most Americans say that increased imports take away American jobs and hurt the wages of American workers.

So public opinion is overwhelmingly opposed to fast track and trade deals done without proper labor and environmental standards because they have looked at the record of NAFTA and they know that it has not worked. You can talk to people. There was a recent study done by the Policy Institute that showed that we have lost 394,000 jobs as a result of NAFTA, net jobs; I am not talking about just jobs, I am talking about net jobs. We have gained some jobs; net total we have lost a huge number of jobs.

I would like for just a second to address one other issue before I yield to the distinguished Democratic leader, the gentleman from Missouri [Mr. GEPHARDT] who has been so fabulous in leading our efforts on this issue, and that is the issue of exports, because the other side like to ballyhoo the number, that we are exporting more to Mexico now, even though they are importing a heck of a lot more here.

Let me tell you something. I want my colleagues to look at a memo that I have from Professor Harley Shaiken, who was at the University of California and who has studied the economic relationship between Mexico and United States extensively. He is probably the foremost expert in the country on this. Professor Shaiken shed some light on what I would call the myth behind our increased exports to Mexico.

There is no denying that exports to Mexico have risen since NAFTA although imports, as I said, have increased much more dramatically. But Professor Shaiken, analyzing trade data, shows that the vast majority of exports growth has been in what he calls revolving door exports or industrial tourists.

Now these are goods that are shipped to Mexico as components, usually along the border with the United States and the maquilladora, therefore counted as exports but then assembled in Mexico and shipped right back here. That is why they call them tourist exports. They are not even there long enough to have a visa. They get shipped over there, they are put together by people who make 70 cents an hour, and they are shipped right back here, not to consumers in Mexico, as I said before. The consumer middle class in Mexico has declined by about 8 million people in the last 4 years.

Revolving door exports have surged 230 percent since NAFTA, rising from 18 billion in 1993 to 42 billion last year. These exports accounted for 40 percent of our total exports to Mexico in 1993, but that share grew up to 62 percent last year.

So the upshot is, 62 percent of our exports to Mexico are shipped right back here, and these are not job-creating exports, they are job-destroying exports.

Professor Shaiken notes in his memos, paraphrasing Pogo, "We have met the market, and it is us."

You know, there are so many aspects to this issue. There is a food safety issue, there is the drug issue, there is the loss of jobs, the downward pressure on wages, there is the environmental degradation.

I visited maquilladora in Tijuana with my distinguished leader, the gentleman from Missouri [Mr. GEPHARDT], and we have some stories and some pictures that I am sure my colleague will show you right now from his recent visit to the border that really, for me, sickens my stomach that our corporations and our Government have not dealt with these questions of worker safety and worker rights and environmental degradation, and I think you will understand why when you hear the distinguished leader. So I am honored that he would join me this afternoon in talking about this issue that is so fundamental to the values which we hold so dear and which so many people have fought for in this country for so many years, and I thank him for joining, and I yield to him at this time.

Mr. GEPHARDT. Mr. Speaker, I thank the gentleman, and I will come to the well because I have some pictures I would like to show.

First, I would like to salute the gentleman from Michigan, the distinguished whip on the Democratic side. No one has a greater understanding of the challenges that face working families in America than he does, and no one has fought harder to realize the interests of working families than the gentleman from Michigan [Mr. BONIOR]. So I am always deeply pleased to be with him in talking about these important issues.

Let me start today by saying right off the bat that I am for free trade, as is the gentleman from Michigan. We believe trade is synergistic, we think it has energy for everyone, we think it helps every country that can engage in free trade, and we are for free trade treaties between the United States and other countries and within the whole world. We also believe that trade should be fair as well as free, that it is not just enough to get tariffs down, that there are other issues that need to be dealt with when you are talking about a trading relationship.

Mr. Speaker, in the 1980's we advocated that there be access to foreign markets like Japan so that we could get our products into their market as easily as they could get their products into our market, and through the 1980's and into the early 1990's we were able to get those access issues to be debated, to be understood and, I think, to be accepted by people in the United States and across the world.

Since the early 1990's, when the real debate began on the North American Free Trade Agreement, we brought up the issue of fairness as it applied to the proper application and administration of labor laws, worker laws and environmental laws in other countries, and that is because when we talk about the NAFTA, it was to be a free trade agreement between two countries that were highly developed economically and another country that was still in the early stages of development with a much lower standard of living, and we realized that if trade was to work for everybody in Canada, the United States and Mexico, it was very important that there be a greater effort at the application of national laws on labor and on environment.

Now why is that the case? That is the case because the standards we have in these areas need to be moving toward uniformity, not toward disappearing, because if you have no standards, then the lack of standards becomes a comparative advantage for the country that has no standards. Plus the fact I just do not see how anybody says we should not try to get the laws of other countries we are trading with to be properly enforced.

So as a result of that we wrote language into the so-called fast track negotiating authority that said we would pay attention to these issues, and in the negotiation, for the first time in the negotiation of any free trade agreement we had serious discussions of how we could get the national laws of each country on labor and the environment to be properly enforced.

Now at the end of the day we were not able to get that enforcement process to have real teeth. These issues wound up in so-called side agreements that I felt were largely cosmetic, and that is the reason I oppose the NAFTA agreement, because there was not a serious attempt to really enforce these laws.

Now, right now, the President is asking us for fast track negotiating authority to get new free trade agreements with, say, Brazil or Argentina or Chile or other countries across the world, and just as in 1991, I voted for fast track for then-President Bush, I am quite prepared to vote for fast

track for President Clinton because obviously I think he shares my values on these issues much more than President Bush did, but I do not want again to go to a set of negotiations without the Congress being very clear about what we expect in macro terms to be in these agreements. I did that once; I do not want to do that again. I think we suffered as a Congress from giving this fast track authority, which of course gives tremendous power from the Congress to the executive branch, which I am willing to give because I understand the nature of trade negotiations, but I am not willing to give it without some overall admonition about what we expect to have in these treaties.

I do not want to mislead anyone. I do not want the Brazilians to be misled as to what we will require in the Congress in these treaties. We want labor and environmental enforcement of their laws in the core trade treaty with trade sanctions in order to enforce it.

Now when I say that a lot of people say, "Well, how can you ask another country to enforce its laws?" Why would we not ask another country to enforce its laws? How could we possibly enter into a free trade marriage, which is what a free trade agreement is, without making sure that all the countries involved were going to enforce their national laws?

Now let me go a step further. Before we negotiated the NAFTA, our business community said that you have got to insist that Mexico change and improve its intellectual property laws, and we went to Mexico and did that. Mexico changed and improved its intellectual property and capital laws, and we put those laws into the treaty and said that if Mexico does not properly enforce their intellectual property and capital laws, we will bring trade sanctions against their products coming into the United States. And what I say to my friends in the business community is if it is good enough for intellectual property and capital, which we all care about, surely it must be good enough for labor and the environment.

I just want symmetry. I want us to treat labor and environment as strongly as we treat intellectual property and capital.

Now, having said all of that, I think as we enter this debate it is important to understand what has happened with NAFTA. Some people are saying, oh, you cannot look at NAFTA, that is unfair because no country is alike. I agree with that, no country is alike. But surely it is relevant to this debate to say we have done a free trade treaty with a country that is in a state of development. What has happened there with that free trade treaty? Has it worked the way we had hoped it would work?

And so let us get out some facts about what is happened with NAFTA. The first thing you need to understand is that since 1993 the number of jobs and the number of factories on the border in Mexico has doubled since 1993. In 1993 there were about 500,000 jobs on the border; now there is almost 1 million.

You also need to understand that the turnover rate in those plants is 100 percent. The people work for less here, and they move on. Why do they move on so quickly? There is a simple reason. Wages in the maquilladora plants in Mexico have gone down in the last 3 years, not up. They were $1 an hour; now people are paid 70 cents an hour. As a result, people cannot live on that wage so they leave. They either come to the United States or they go back to the interior where they grew up in Mexico.

Now, as a result of that it has been really difficult to get enforcement of Mexico's labor and environmental laws which might have moved things in a better direction. You know if we really had gotten Mexico's labor laws to be more properly enforced, maybe wages would be $1.25 an hour rather than 70 cents an hour as they are now. But that has not happened. Four cases have been brought under the labor side agreement, and none of them have been resolved. Under the North American Development Bank, which we set up to remedy some of these environment conditions, only 3 loans have been let and none of them have been completed, and there are literally hundreds of situations on the border where there is real environmental danger to the people living on the border.

Now I recently went to the border again, to Juarez, across the line from El Paso, and I have here some pictures that I think best present what is actually happening on the border. You know, one of the things we need to do as we go into this debate is have a reality check, what is actually happening with the free trade treaty.

Here is a picture of a brand new, very modern maquilladora plant, and maybe hard to see over the television, but I think people in the room here can see this is a maquilladora plant.

□ 1330

It is a modern plant, I forget which company it was, one of our major corporations. What you need to understand is the maquiladora plants in places like Mexico are high tech, high quality, high productivity, making the most sophisticated products in the world, as the gentleman from Michigan pointed out. This is not low tech, old world technology. This is the best plant you will find in the world.

But across a drainage ditch a few yards from that plant is the housing where the people who work in the plant live. The housing is literally made from the pallets and the boxes that come from the plant. The people live on the ground. They are earning between $24 and $32 a week for 8 and 10 hours of work a day. That is a picture of where they live.

The next picture is a picture of the drainage ditch, which is behind me. In this picture is the maquiladora, a few yards is the drainage ditch. This is filled with pollution, human waste, the smell here was overpowering, the amount of pollution in this ditch was overpowering. This ditch is a hazard to people's health, hepatitis, cholera. And here are the houses that the people live in. These are pallets, and the people earn probably $24 to $32.

Here is another picture of the houses. Here is a young boy up on top trying to make repairs in the roof of their house. As I talked to people who are over here, they talked about not having enough food to eat, about the children not being able to go to school because they could not afford to send them to school. They could not afford the clothes. They could not afford the supplies. They said that they have school teachers paid by the government, but not buildings or supplies. So to even go to the public schools, you had to have money. So about half the kids are not attending school.

Here is a picture of washing machine boxes that came straight out of the plant that is behind where these are, and people are living in housing that is literally the packing boxes of the products they are making.

Finally, here is one of the children that we saw in the colonias. The children, as all children are, are beautiful. I talked to one young girl and I asked her her name. She said which name do you want? My right name, or the name I assumed to get a job in the plant at age 13?

Half these children are not in school. All of these children are malnourished. They are living in subhuman conditions. If you go to the maquiladoras and ask our companies why are you allowing people to live in subhuman conditions who are your employees, they probably rightly say because we are in competition with all the other companies that are here, and this is cutthroat competition, and there are no standards.

I want to say something: It is not the responsibility of just the companies to have standards. It is the responsibility of the Government of the United States and the Government of Mexico to see that there are human standards for the environment and for people in these factories and in the housing that is around these factories.

It is our responsibility. So do not tell me that human standards and worker standards and environmental standards have no place in a free trade treaty. They have every place in a free trade treaty.

We must be clear if we give this power, as I believe we should, to the President, of what we expect to be in

these treaties. It must include worker standards and labor standards and environmental standards that have been passed by the Government of Mexico and endorsed by the Government of the United States.

Finally, if trade is to actually fulfill its purpose, the people in a developing country like Mexico have to make a human wage so they can become consumers of the products they are making. Trade is good, trade is synergistic, trade can raise the standard of living of every country involved. But in order for that to happen, people have to make a living, decent wage. Then we will fulfill the promise of trade. Then trade will be good for every human being on Earth.

This is our leadership mission. The old debate about protectionism and free trade is over. No one advocates protectionism. The issue today in trade is how do we get human standards and decency into the trading relationship between every country in the world. We can do this. This must be our mission, of leadership of the world, so that conditions like this for this young lady will not exist anywhere in the world.

We can do this. This is our leadership mission. Bobby Kennedy said some see things as they are and ask why; I dream things that never were and ask why not.

In this NAFTA, we must ask, in this fast track we must ask, why not? Better conditions for all of the people of the world, so that capitalism and democracy become the hallmark for everybody in the world that everybody wants to reach for.

Mr. BONIOR. I thank my colleague for his eloquent, impassioned, and thorough description of this trade dilemma that we face. I would like to also yield at this time to another champion who cares about these values and these issues, my distinguished colleague from Ohio, Mr. BROWN, who has been a leader on these issues and who particularly on the food safety issue has really highlighted the deficiencies in these agreements.

Mr. BROWN of Ohio. I thank the gentleman from Michigan. As the gentleman from Missouri [Mr. GEPHARDT] mentioned and said so passionately and eloquently, and as the gentleman from Michigan [Mr. BONIOR] has talked about for years in this institution, in this body, we have seen these trade agreements, whether it is GATT, whether it is NAFTA, other trade agreements we have signed, have seen a diminishing of standards, of clean air and safe drinking water and pure food standards around the world. And that is what is particularly troubling about extending NAFTA to Chile, or any other country in Latin America, as a result of the fast track proposal by the President and by the Republican leadership.

Fast track will accelerate the dismantling that we have worked so hard to build a consensus around, clean air, safe drinking water, pure, safe food. We simply should not give up on the consensus that we have built in this country.

If you go back 90 years ago in the United States, we did not have the kind of protections of our food supply. There was a book written by a 28-year-old journalist by the name of Upton Sinclair called "The Jungle," written about the Chicago packing yards in 1906. When that book was written, America did not really have safeguards in place for beef and poultry and fish and fruits and vegetables. And over time, with the establishment of the Food and Drug Administration, in part coming out of the book "The Jungle" and the scandal that Upton Sinclair pointed out, we as a nation have moved together and built a consensus around these clean air, safe drinking water laws, worker safety laws, pure food laws. And it is something that 95 percent, at least, of the people of this country I believe agree with that consensus.

Yesterday, I think people spoke in this body, particularly loud and clear, when there was overwhelming support, almost literally every single Democrat in this party and a majority of the Republicans supported the Sanders amendment, which will send I believe U.S. trade negotiators a clear signal that Congress cares deeply about the fundamental precepts of American sovereignty in the new global economy.

Let me outline on the time of the gentleman from Michigan, on what exactly that means and the kind of erosion that we have begun to see in some of the laws that have protected our way of life, clean air, safe drinking water, worker safety laws, all of these things, what some of the threats to that sovereignty and that body of laws that has kept our standard of living and protected our people the way that they have.

The World Trade Organization was created by the GATT agreement that passed Congress about 3 years ago. The World Trade Organization is sort of an international United Nations of international commerce, if you will, except in a lot of ways it has more teeth. Let me run through a couple of examples of what has happened under the GATT, under the World Trade Organization.

Venezuela, which was defending its state-owned monopoly, attacked the United States in the World Trade Organization over provisions of the Clean Air Act. The Venezuelans said America's environmental laws were too strong and kept out Venezuelan oil. Venezuela went to the World Trade Organization, they won, causing a weakening of American environmental laws.

Second example, the Massachusetts State government passed a bill in the legislature that said it would no longer do business with the military government of Myanmar, what used to be called Burma, as a protest against human rights violations, some of the worst of any nation on Earth. The European Union, along with the military dictatorship in Myanmar, in Burma, challenged the right of the State of Massachusetts to make such a law and said it was a barrier to trade. That is now being considered by the World Trade Organization.

The third is closer to home and more directly related to what Mr. BONIOR and Mr. GEPHARDT were talking about. And that is a dispute we are in the middle of with the Government of Chile. Chile has, in the eyes of a lot of Americans, been dumping salmon. They are a major, major world exporter of salmon. They have been dumping salmon in the U.S. market. That means selling salmon at a price less than it cost to produce it, less than the market value, in fact less than the cost to produce it.

American salmon farmers and salmon fishermen, mostly in Maine, Alaska, Washington, Oregon, and California, have said this is not fair, that they can dump salmon at less than cost and undercut American salmon fishermen and salmon farmers and ultimately take the market away from these businesses and take jobs away from American workers.

The Government of Chile, in bringing this lawsuit against the United States, is about to, if they lose, which they have lost first round, is about to go in front of the World Trade Organization and ask for it to be declared an unfair trade practice, what the United States is trying to do to even the playing field.

The Chilean Government has hired former Senator and former Presidential candidate and former Senate Majority Leader Robert Dole to represent them. Only 10 months after he was asking the American people to vote for him for President, the Government of Chile has hired Bob Dole to represent them against the United States of America. I think it only begs the question. We wish Mr. Dole played on our team, on the home team, rather than playing on Chile's team, rather than playing on the visitor's team.

What is important is Senator Dole is representing a foreign government against the United States, which ultimately will hurt American businesses and will cost American jobs if Senator Dole and the Chilean Government are successful.

Those are the kinds of things, whether it is weakening environmental laws because of what Venezuela's Government has done, whether it is getting rid of laws that the State of Massachusetts legislature passed, or whether it is costing American jobs and hurting American businesses when Senator Dole represents Chile against the United States. Those are the kinds of

things that are happening that will happen and continue to happen and happen in much greater frequency under these provisions in the fast track agreement.

We cannot continue to lower American standards on the environment, on safe drinking water, on clean air. We cannot continued to allow other businesses in other countries and other governments to try to weaken America's food safety laws.

We have seen, as the gentleman from Michigan, Mr. STUPAK, a colleague of Mr. BONIOR's, and I earlier this week had a news conference, talking about the issues of food safety. A young woman from Michigan who had seen her daughter get sick from hepatitis A from strawberries brought in from Mexico in school lunches in Marshall, MI, southwest Michigan, came and spoke at our news conference. She reiterated what a problem it is we do not do the right kind of food inspection at the Mexican-American border, and how America is beginning, because of some of these trade agreements, to lower our standards of food safety.

Few things are more important to this country than to continue to preserve and protect the world's safest, best, and least expensive food supply that we so proudly as a nation have built.

□ 1345

We have no business allowing these trade agreements to override what we have done in our States and cities and what this Federal Government has done to protect our air, protect our water, and protect our food supply.

So I thank the gentleman from Michigan [Mr. BONIOR] for his involvement and what he has done in leading the charge on making sure that our trade laws are written fairly so that American workers have a fair shake, so it is not costing us jobs and hurting our quality of life.

I asked the question, as many have asked over and over, why should we rush headlong into another trade agreement that endangers America's food supply and costs American jobs until we fix those trade agreements, like NAFTA, that we have not yet fixed. I thank the gentleman for yielding.

Mr. BONIOR. Mr. Speaker, I thank my colleague for his wonderful description of a variety of problems, the sovereignty issue, as well as the food safety issue.

I just want to take a second to talk about another aspect of this that I think deserves some attention, and that is the whole question of workers, American workers, Mexican workers, Canadian workers.

We have seen enormous prosperity for the people at the very top in all three countries over the last 10 years. In the United States, that actually goes beyond the very top; it extends probably down to the people who make salaries that are in the top 20 to 25 percent in this country have done quite well. But 80 percent of Americans since 1979 have basically had their wages frozen or have declined in real wage terms.

In Mexico wages have fallen rapidly since NAFTA. Real wages and productivity in Mexico, manufacturing in 1993 to 1996 are illustrated here, and as we can see, the red line is productivity. That means how much more output, how much more productive they have been, and we can see there has been steady growth in productivity during NAFTA in Mexico, but the wages of the workers have gone down. We talked about how they were making $1 an hour. They are making 70 cents an hour, many of them children, many of them 8, 9, 10, 11, 12, 13 years of age.

So in Mexico, clearly, as I mentioned earlier, 8 million middle-class Mexican families dropped into poverty. Average workers are not benefiting. In fact, they are being hurt by these trade agreements, and I can say the same in Canada as well where wage stagnation for most of the workers has occurred. People at the top are doing extremely well. The top 1 percent are doing fabulously well.

So what we are asking for is that everybody gets to share in this pie. Historically, the way workers have increased their share has been to collectively organize and bargain for a better deal, for better wages, for better health care, for a secure pension, and all of the things that tend to make life fun, tend to make life bearable, tend to make life possible for a family. These things just did not happen; they happened in America because people came together and demanded them collectively.

I remember in the 1950's, almost 40 percent of American families were members of labor unions, and that was, of course, the greatest period in America where we had growth of average families. Productivity was ranging at about 90, 95 percent, and so wages and benefits were at 90, 95 percent. And as membership in organized labor bodies dropped through the 1960's and 1970's and 1980's, to the point where it is about 15 or 14 percent today, wages relative to productivity dropped was well to the point where, as I mentioned, since 1979 workers basically are losing ground or have not gained anything at all. That is a long time; it is almost 20 years.

So when we argue on behalf of Mexican workers being able to organize, to assemble freely, to form unions that will work for them and their families, we do that, we argue that not only for those Mexican workers, but we argue it for our workers here.

Now, people say, well, how does that affect our workers here? It affects them because if Mexican wages and benefits start to increase, as they did here in the 1940's and 1950's and 1960's, then the employers cannot play this game with workers and say, if you do not take a cut here or a freeze here, we are going south, because, after all, Mexico is basically economically a 51st State in the United States. We have just gotten rid of all of the economic barriers. It is right across the border.

I had the occasion a few months ago to talk with some women who came to see me, who were from El Paso, TX, a town, which I might add, was supposed to be reaping the most benefits, we were told during the NAFTA debate, from NAFTA, because it was on the border. There would be a lot of commerce, there would be a lot of energy, there would be a lot of jobs created. Well, El Paso has one of the highest unemployment rates of a major city in the country today.

These women came and they told me they worked at a textile facility; most of these women were in their forties or early fifties, some single parents. They had been working at this facility for many years, sewing, making a little above the minimum wage. The minimum wage was $4.75 back then; it is now $5.15. They were making $5 and $6. They all lost their jobs because their company moved right across the border, not very much more than 3 or 4 miles away, set up shop, and was able to pay Mexican workers, I suspect some of them probably children, 70 cents an hour.

When these women, who were displaced after years of service to this company, went to the Government, our Government which advocated NAFTA and said, if we have displaced workers, we will help them with job relocation and job retraining, when they went to their government to get that promise, it was not there. None of them were helped; did not have a program for them, could not take care of them. So they came to see me and talk to me about this.

It is broken promises of NAFTA that are causing a lot of people to reconsider what they did on that vote in this Chamber.

I think the thing that moves me the most about this is that I wish the President and I wish all of my colleagues, for that matter the American people who are interested in this issue, as most should be, would have a chance to go down and see what the gentleman from Missouri [Mr. GEPHARDT] showed in the pictures. One has to see it to believe it. It is disgraceful. People are living on the border in subhuman conditions, in cardboard boxes made out of the very containers that they put together in facilities that they work in. When they struggle to have an independent voice, to collectively form a union to increase their ability to bargain with these multinational corporations, or not multinational, regular

business leaders, they are prohibited from doing so.

I visited a colonia in Tijuana and talked with a group of people who lived in a similar situation that Mr. GEPHARDT described in Juarez, and the leader of the colonia told me and Mr. GEPHARDT and others that the plant that they worked in accelerated the speed of the line so they could get more production, and as a result, people that he worked with who lived in his colonia, his village, were losing fingers and some hands, and it was intolerable. These things were happening on a regular basis.

So they decided, because they were not getting any action from this company, that they would protest, so they stopped working. And he, as the leader of the group, was fired from his job. He then tried to form an independent union and ended up being thrown in jail for trying to organize a union to deal with this scandalous situation.

It reminds me, and it should remind my colleagues, if we remember our history, of what happened in this country 100 years ago. We maybe do not even have to go back that far; 60, 70 years ago.

So when I say that these trade agreements are taking us backward to those conditions, that is what I am talking about, because the Government of Mexico, the multinationals that the gentleman from Missouri [Mr. GEPHARDT] talked about, they are not doing anything to change this. So what we want to do in these trade agreements is to force them to do something, like we forced them to do something here over the course of this past century. Force them to do things that would help develop the strongest, most viable, economically vibrant middle class that the world has ever seen.

So this is a struggle, and it is not easy, because we are up against some of the wealthiest, most powerful people in the world and governments in the world. But we are right. I am not always right, but on this I feel it not only in my head, but I feel it in my gut and my heart, and it is going to happen. It is just a matter of when and how long and how many kids are going to have to be sacrificed in the meantime by not getting an education, by being worked to death. How much of our environment is going to get spoiled? How many of our people here are going to lose their jobs? And how much disillusionment is going to be created with the 70 percent in America and the 95 percent in Mexico, or the 70 percent in Canada who are trying to make a go of it each and every single day, and who remember the sacrifices of their families and their mothers and their fathers and their grandparents to get them to where they were.

Those folks need to join the battle, because when they are aligned together, there is just too many of us, and we will win, because history is on our side, right is on our side, economic right is on our side.

I want to yield now to my distinguished colleague from New Jersey, Mr. PALLONE, who has been also one of the great champions on protecting average working people and especially the environment.

Mr. PALLONE. Mr. Speaker, I just want to thank the gentleman from Michigan [Mr. BONIOR] for all of the work that he has done in opposition to the fast track legislation and the way that it has been handled so far.

I know that one of the concerns that the gentleman mentioned, too, and I was listening, is the need to protect the environment as well as the health and safety of American families. One of the concerns that I have had is that so far we are hearing mainly the suggestion that there would be additional environmental side agreements, that somehow the environment would be addressed in further trade agreements with other countries in the same way that it was with NAFTA as a side agreement to the initial treaty, and my concern is that that does not adequately protect the environment, that that is not the way to go about it.

In fact, what we have learned is that in the case of NAFTA, the environmental side agreement, if you will, has basically resulted in the number of factories along this very heavily-polluted United States-Mexican border, the number of factories has actually increased by 20 percent, so pollution problems are getting worse.

Also, little is being done to ensure that new facilities are complying with environmental standards. Something like 44 tons of hazardous waste that is illegally dumped by these border factories every day are not being cleaned up. In fact, there was a commitment to spend, I think, as much as $2 billion to do cleanup along the border, and none of that money has been spent.

Mr. BONIOR. That is right. That was the promise of NAFTA: We will spend $2 billion and clean it up. They spent less than 1 percent of that money, and virtually nothing has been done. There are a few projects underway right now, but virtually nothing has been done.

Mr. PALLONE. Mr. Speaker, what I think that the administration is telling us now is that they are willing to put negotiating objectives in the fast track legislation that would include specific references to the environment. But I do not believe that that is going to accomplish our goal because that will not require that environmental agreements actually be included as part of the treaties that we negotiate.

Mr. BONIOR. Mr. Speaker, I want to thank my friend from New Jersey, Mr. PALLONE, who has been such a champion on this, and I thank the Chair for his indulgence, and I appreciate the opportunity to discuss this issue.

Mr. MOAKLEY. Mr. Speaker, it's been 4 years since NAFTA was signed. And for those 4 years it's been nothing but bad news: NAFTA has been bad news for American workers; NAFTA's been bad news for Mexican workers; and NAFTA's been bad news for the environment.

American workers have lost 420,000 jobs thanks to NAFTA and Mexican workers' wages have dropped to one-third of what they were in 1980—from $2.40 an hour in 1993 to $1.50 in 1996.

So, Mr. Speaker if NAFTA is such a dismal failure? If NAFTA has hurt so many workers on both sides of the border, why on Earth are we talking about repeating its mistakes?

Thanks to NAFTA hundreds of American companies have closed shop in the United States only to reopen in Mexico to take advantage of cheaper labor and weaker worker protections.

And some of those corporations that don't shift their businesses south threaten to move in order to stop union organizing. They tell their workers if they try to organize the company will move south to Mexico and they'll be out on the streets.

Meanwhile, those companies that move to Mexico are having horrible effects on the environment. Democratic Leader DICK GEPHARDT just returned from the border where the pollution and disease are unbelievable.

In the border region, where maquilladora plants have been set up to do business cheaply, corporations pollute at will, with no control from the Mexican Government. Dozens of medical reports describe increased disease rates, child deformity, and infant mortality rates caused by the lack of environmental control.

On the American side of the border with Mexico, hepatitis rates have risen to about four times the United States average. Mr. Speaker, hepatitis does not respect borders. Instances of tuberculosis are higher since the passage of NAFTA as well.

Companies who conduct business in Mexico are free to spew toxic wastes into the rivers and filthy pollutants into the air.

And Mr. Speaker, that air and that water does not stop at the Texas border just because it's the United States. This Congress and our President should be doing everything possible to protect our citizens. Not selling them out for free trade at any price.

Back when we first debated NAFTA, I remember people arguing that this agreement would help to create prosperity for Mexican workers.

Unfortunately, Mr. Speaker, those people were wrong. The Mexican workers are actually worse off now than they were before. Democratic Leader GEPHARDT brought back pictures of families living in packing boxes used to ship the products they make.

And, Mexican wages aren't just dropping because of market forces. Mr. Speaker, the Mexican Government actually implemented policies to keep Mexican wages down to attract foreign investment. It is no surprise that Mexicans aren't able to buy our products—most of them have trouble putting food on the table.

Thanks to depressed Mexican wages and dangerous, unhealthy workplaces, our trade

deficit with Mexico is worse than ever. In other words, we buy their products much more than they buy ours.

In 1993, prior to the passage of NAFTA, the United States actually had a trade surplus with Mexico of $1.7 billion.

Today, we all know that this healthy surplus has collapsed into a deficit of $16.2 billion. Mr. Speaker—under any circumstances, I would call a $16.2 billion trade deficit bad news for our economy and I would call the agreement that led to that deficit a bad idea. Yet President Clinton and some of my colleagues want to use that agreement as a model for others.

The agreement that brought this country from a trade surplus to a trade deficit in only 4 years is going to be used again?

So Mr. Speaker, now that we know that NAFTA has hurt our workers, failed to protect the environment, hurt the lives of Mexicans, and hurt the American economy, I think we should talk about ways to fix its mistakes, not ways to repeat them.

But the administration disagrees with me, they are proposing Fast Track Trade Negotiating Authority, which has no protections for worker's rights, no protection for the environment, and nothing remotely resembling human rights.

During NAFTA, these elements were negotiated in side-agreements, which were not enforced.

Now, 4 years later, the evidence is clear, the side agreements didn't work. Any environmental or worker protections need to be included in the body of the agreement itself, not as some sort of toothless afterthought, as the administration would have it.

Unfortunately, these important standards are only included as "objectives" for our negotiators. Section 2, part C states that "U.S. negotiators shall take into account U.S. domestic objectives including, but not limited to, the protection of health and safety, essential security, environmental * * *", and so forth.

Mr. Speaker, these are excellent goals and our negotiators should certainly keep them in mind. But this doesn't provide any sort of guarantees that these initiatives will be taken care of. This legislation does not force negotiators to make changes in workers' rights; the legislation does not require any deals on environmental protection or human rights either. And it does not hold governments accountable for the mistreatment of their workers and the abuse of their environment.

I know that the people who support the proposal say that section 2 allocates worker rights and environmental protection to the World Trade Organization. But, Mr. Speaker, time and time again, the World Trade Organization has refused to take on these issues.

In fact, in order to achieve enforceable standards for workers and the environment, 131 countries would have to reach a consensus and we all know that is never going to happen.

Mr. Speaker, we have seen that NAFTA has been a terrible failure and we know many of the reasons why. I hope that the administration will give history its due and learn from their mistakes instead of repeating them.

Instead, we should learn from failures of NAFTA and work to build a new plan for negotiating trade agreements.

□ 1400

ENVIRONMENTAL ISSUES RELATING TO FAST TRACK LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. PALLONE] is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I just want to continue with the gentleman from Michigan [Mr. BONIOR] along the same lines. Even though this may sound a little bureaucratic, it is important.

If we look at the proposed legislation, it says it will ensure that trade and environmental protection are mutually supportive, and it in fact even serves to limit consideration of the environment to foreign government policies and practices regarding the environment that are directly related to trade. It limits the ability of the United States to deal with environmental issues by requiring that negotiations take place through the World Trade Organization.

My point is that if we look at the language of what is being proposed, not only does it not adequately protect the environment and guarantee that the environment is addressed directly in these subsequent agreements that are negotiated, but it may even limit the ability to do that. So it does not in any way satisfy our concerns.

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

Mr. PALLONE. I yield to the gentleman from Michigan.

Mr. BONIOR. Mr. Speaker, I think the gentleman has read that correctly. This fast track authority that has been submitted by the administration, I contend, is weaker on the environment and weaker on labor standards than the one that was negotiated under NAFTA 4 years ago.

I think these issues on the environment the gentleman talked about need to be in the core agreement, with enforceable standards, like we enforce capital and as we enforce intellectual property. It falls far, far short of what is necessary. That is why major environmental groups throughout this country are opposing this fast track, because they see it as opening the flood gates and continuing the environmental degradation that we have seen.

Mr. PALLONE. What I have been doing over the last couple of days, Mr. Chairman, is I have put together a letter that I am trying, and some Members have already signed and I am trying to get more Members to sign, to the President basically saying this: That it is critical for the fast track to require that environmental concerns be directly addressed in negotiated agreements, rather than allowing environmental protection to be negotiated separately in unenforceable side agreements that do not adequately protect the environment.

To that end, trade agreements negotiated under fast track should also be negotiated to include enforcement mechanisms that should hold governments to set environmental protection. I am not saying even with that that fast track is acceptable, but I believe very strongly that if we were able to get these kinds of inclusions in there, at least we would have a little better protection and know that something would be done on the environment other than negotiating additional side agreements that really have had no impact.

One of the things I keep saying over and over again is we have to look at NAFTA as the example. I know a lot of people say, well, in voting or in reviewing fast track legislation, we should not look back at NAFTA. To me that makes no sense. NAFTA is the example that we have of what may result as a result of fast track. If the environment did not work with that, why should we believe it is going to work again?

Mr. BONIOR. If the gentleman will continue to yield, I found it quite interesting that when the President came before our caucus in this very building a couple of weeks ago, he mentioned on at least on two occasions, maybe three, when he was talking to us, he said off the cuff, and I could see his aides wincing in the background, and he said, "Well, if you were not for NAFTA, you probably will not want to be for fast track."

There was a reason that people will not be for fast track; because NAFTA has been, as we have said, it has been deficient in all of these areas. That is why on our side of the aisle there may be upward of 20 Members who voted for NAFTA who will be voting against fast track because it has not delivered. That is why the President has mentioned on several occasions, and I think maybe not inadvertently, but I think he would not do it again if he had to, that if Members voted against NAFTA they would probably vote against fast track.

Mr. PALLONE. I appreciate that. If I could just say one last thing, that is that the reason I feel so strongly about this is not only because I think it is important to have better environmental standards in the other countries, but also because if we do not, if we just allow these free trade agreements to go forward without these kinds of environmental safeguards, then what happens is ultimately our own environmental standards are threatened, because it becomes very easy for those countries to lure plants and companies, manufacturing, down to, say, Mexico.

Mr. BONIOR. That is exactly what happened to the furniture industry in southern California. It has gone over the border into Mexico because they do not have to comply with environmental laws and rules. I visited an acid

factory in Tijuana, an acid field that was supposed to recycle batteries, and it was a field probably the size of this room, filled with acid. And right across the street, not more than 10 yards away, was the largest dairy farm in that state, huge. And of course, the obvious problems occurred. The children who were drinking the milk from those cows were suffering and having serious health problems. It boggles the mind to think that we are not only allowing this to occur, but we have done nothing at all to correct it in this new legislation. I thank the gentleman for his comments.

INQUIRIES TO THE ADMINISTRATION REGARDING CONGRESSIONAL TRAVEL TO LIBYA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. GILMAN] is recognized for 5 minutes.

Mr. GILMAN. Mr. Speaker, Libya is a rogue nation that openly supports, promotes, and inspires terrorist activities around the world. None of us could ever forget Libya's involvement in the 1985 terrorist attacks in Rome and Vienna airports that killed 20 men, women, and children, including five Americans. Nor can we forget Libya's responsibility for the 1986 bombing in Berlin that killed two United States servicemen. And of course, we will never, ever forget Libya's dastardly involvement in the 1988 bombing of Pan Am flight 103 which resulted in killing 270 men, women, and children, including 189 Americans.

Because of these and other acts of terrorism, Mr. Speaker, Libya has been sanctioned by the U.N. Security Council, and United States law imposes serious limitations on the ability of our citizens to travel to Libya or to spend money there.

The State Department has reported that one of our colleagues, the gentleman from Alabama [Mr. HILLIARD] recently traveled to Libya without official authorization or approval. Against that background, the gentleman from Alabama [Mr. BACHUS] has prepared a privileged resolution that would direct the Committee on Standards of Official Conduct to undertake an immediate and thorough investigation of the circumstances surrounding the travel of the gentleman from Alabama [Mr. HILLIARD] to Libya.

In that matter, the gentleman from Alabama [Mr. BACHUS] has expressed the concerns of all Members about any Member of Congress traveling to Libya. In an effort to be helpful, and in my capacity as chairman of the Committee on International Relations and in the exercise of our committee's oversight responsibilities, I will inquire of the administration what laws and regulations, if any, would apply to travel by any Congressman to Libya, and whether any of those laws or regulations may have been violated.

I will be undertaking a review of this matter. I assure the gentleman from Alabama [Mr. BACHUS] that I will promptly share with him the response of the administration to our inquiries.

Mr. Speaker, I am pleased to yield to the gentleman from Alabama [Mr. BACHUS].

Mr. BACHUS. Mr. Speaker, on September 18, I wrote the gentleman from Alabama [Mr. HILLIARD] and told him how important I thought it was that he give a public explanation for his trip to Libya. When I received no response to that letter, I noticed 2 days ago my intention to file a privileged resolution. That resolution I read in full to this body two nights ago.

It is very important that our body know the facts and circumstances surrounding this visit. It was, as the gentleman from New York [Mr. GILMAN] noted, to an outlaw nation, a nation which is presently, not sometime in the past, but is presently engaged in terrorist activity in several countries.

I have again called on the gentleman from Alabama [Mr. HILLIARD] today to make a public explanation. I welcome the assurances of the gentleman from New York [Mr. GILMAN] that the committee will be looking into these facts.

What I intend to do at this time is not to go forward with my resolution, but I will note that if the gentleman from Alabama [Mr. HILLIARD] does not make a full and complete explanation of his trip, as I have outlined in the resolution, that in the interests of this body and its integrity, and because the American people have a right to an explanation, I will renotice my resolution next week or the week after.

I again call on the gentleman from Alabama [Mr. HILLIARD], and I know other Members of the body share my opinion, that he make a full and complete explanation of his trip to Libya.

It is my understanding that the Committee on International Relations, and it was from earlier conversations, that they are going to do an investigation into this trip which I hope will include talking to the gentleman from Alabama [Mr. HILLIARD] and asking the gentleman from Alabama for an explanation of his trip. I will be looking forward to that.

I believe that it is a much better forum, if it is done before the Committee on International Relations, it is done in a public hearing, and this is something that we will just have to follow day by day. But the American people deserve and I think demand an explanation. It is against the law for anyone to travel to Libya. It is against the law for a United States Congressman to travel to Libya. The laws apply to everyone, including U.S. Congressmen.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for his comments.

ON A RESPECTFUL APPROACH TO INQUIRY INTO MEMBER'S TRAVEL

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California [Ms. WATERS] is recognized for 5 minutes.

Ms. WATERS. Mr. Speaker, I came to the floor because I wanted to make sure that any attempts to try and answer for the gentleman from Alabama [Mr. HILLIARD] or to describe what he may or may not have done be characterized in a way that would not indict him without his having an opportunity to deal with this issue. He is not here.

As chairperson of the Congressional Black Caucus, I pay special attention, of course, to those members of the Caucus. I wish that they always be represented in the right way, and whenever there appears to be a problem unfolding, I want to make sure that we do everything that we can to see to it that they are handled with respect.

Mr. Speaker, I have talked with the gentleman from Alabama [Mr. BACHUS] about this, and I am convinced that he simply, in the interests of his constituents in the State of Alabama, is simply attempting to have some questions answered that have been raised by people in Alabama. I respect that.

I do wish, however, that this issue not become something that is debated on the floor while in fact there is a complaint now pending in the Ethics Committee. Normally, if there is a complaint, it would be handled in the body that is constructed to handle these kinds of concerns. It is a little bit unusual to talk about some protracted debate either in committee or on the floor.

I would hope that something happens between now and next week that would cause this to be not only deposited as it is in the Ethics Committee, but discussed there. I suppose we could end up discussing these kinds of concerns ad nauseam.

As I reviewed, kind of, the record over a period of time about travel, I guess there have been some questions from time to time about travel to Cuba, even at one point to Vietnam and other places, where I think we have some restrictions or sanctions, but it has not occupied the committee or the House. If there is a complaint filed, it is taken up there.

So let me just say that I rise today on behalf of the gentleman from Alabama [Mr. HILLIARD], to say that certainly he has not had the opportunity to have his say; that he has responded to some inquiries that have been made in an unofficial way, I think, by the State Department. The State Department has made it clear they are not investigating him. They simply have almost a perfunctory duty to raise some questions about travel to certain areas where there may be some restrictions.

As far as we know, the gentleman from Alabama [Mr. HILLIARD] has done

nothing wrong. He is not in violation of anything. Even when sometimes it appears that there is travel to restricted places, there are ways and waivers which allow for travel if they do not violate certain things, like the use of passports, money transactions.

□ 1415

So based on what I know, I am convinced that the gentleman from Alabama's actions are honorable and that he has not in any way violated any laws or the responsibilities and trust that are placed in him by virtue of his being a Member of Congress.

So I wanted to be here today to say that I respect the gentleman's concern. I do think that there is some continued discussion that can take place about how to proceed with this, and with that I would happily be involved with the gentleman from Alabama [Mr. HILLIARD] next week to see how we can move this in a fashion that we can all feel good about.

Mr. BACHUS. Mr. Speaker, will the gentlewoman yield?

Ms. WATERS. I yield to the gentleman from Alabama.

Mr. BACHUS. Mr. Speaker, I respect what the gentlewoman said, and I agree with what she has said in part. I would say that there are many questions because we simply do not know, we have not had an explanation. And until we have an explanation, it is hard for us to make final judgment, and that is basically what I have asked for.

Ms. WATERS. Reclaiming my time, Mr. Speaker, not that I am the legal adviser on this, but if I were to advise him, now that a complaint has been filed with the Committee on Standards of Official Conduct, I would confine my explanations to the body that is taking a look at the issue, should they decide to do that, and I would wait to see how they were going to handle it, rather than trying to come to the floor and present a defense when he has not really been charged with anything, or to provide an explanation that may complicate proceedings that may be underway or may get underway.

So I wish that we would not take his lack of a response to the gentleman's request as an unwillingness to discuss it; but rather, now, I think he is put in a position where he has to make some decisions about what is the appropriate response and in what manner that will be done.

GREAT FUTURE FOR OUR NATION

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from New York [Mr. PAXON] is recognized for 30 minutes as the designee of the majority leader.

Mr. PAXON. Mr. Speaker, I do not think there is any doubt in the minds of most of our constituents back home that the best days of this Nation are ahead of us. We have always been a nation that has looked ahead with great hope and the belief that the future is ours to shape, and I think we can subscribe to that notion today more than ever before.

I am proud of the work this Congress has done since we Republicans took control of this institution in 1994. The American people wanted real change and we have done what we can to try to provide that change and a real difference in the way this Congress is operated, looking forward, moving this country ahead, whether it was the institutional reforms we put in place on the opening day, whether it was welfare reform or immigration reform, the Freedom to Farm Act, and so many other pieces of legislation.

In the last Congress and in this Congress legislation has addressed important issues that for so long had been pushed aside and not really taken to fruition, to move those issues forward and solve these problems; whether it trying to address the problems of a Medicare system that was in financial failure, we have now passed legislation to extend the life of the Medicare system that saved the lives of my parents; whether or not it was for many years setting aside the issue of tax relief for working families, this Congress this summer moved forward with an important step forward in providing tax relief in the form of a $500 per child tax credit, and death tax and capital gains tax relief.

But certainly one of the most important and historic things we have done is focus our attention on the effort to balance our Nation's budget. For so long this Congress would spend our children and grandchildren's money. We would use their credit cards, put the bills on their home mortgages so that 30, 40, 50 years from now they would be paying the bills for today. And in 1994, with the Contract With America, the Republican Party said right out in front of this Capitol, just a few steps from where I speak today, this party said we were going to balance the budget by the year 2002.

We put a deadline on it to force action, to force this to become a priority. And this summer I am pleased that in July we were able to pass legislation that will do just that, make certain our budget for this Nation balances for the first time in a generation or longer.

I think that these efforts will ensure that the best days of our Nation are ahead for us and for our children and succeeding generations. My wife Susan and I are very proud parents of a 16-month-old daughter, little Suzie. And every night, as she is sleeping, I look in and feel that it is our job to make certain that her future is better than the ones that our parents handed to us. Each generation wants to be given the chance to give the next generation hope and opportunity. That is what balancing this budget is all about.

Now, the next great issue that we face, and I believe it is one we have talked about for a long time, but the issue that we face and we need to move forward on, much like the issue of the balanced budget, is the issue of fundamental tax relief.

Now, I know, my colleagues, that when we say those words at home, people grab for their wallets. Because for years when Congress talked about tax relief and tax reform, what they really meant was we want more of your taxes. We are going to sit here in Washington and tinker with that Tax Code a little bit. And we will go home and say it is better, but what folks know at home, really, is that it makes their life more complicated.

It is the reason why today 50 percent of all taxpayers finds it necessary to seek professional help, and I do not mean psychiatric help. Some may feel they need that in trying to deal with that 5 million-word Tax Code, but 50 percent of Americans have to go to H&R Block or to an attorney or an accountant because of the complexity and the confusion that that Tax Code brings to them every year.

This, to me, is as important an issue as balancing our budget. We set a deadline to get that done, to force the issue to be resolved, and I think we can do the same with the issue of fundamental tax reform, sweeping tax reform. We need to set a deadline. Just last week we started that process. I filed legislation, H.R. 2483, that would set a deadline.

I use the analogy of my school years. I know how it was when it came time to study for an exam. It usually resulted in me thinking about it the night before the exam. And I see one of our pages walking across the back of this room nodding his ahead. Well, my grades reflected that. I hope his do not. But the fact is that we do need deadlines in life to force us to move and to act.

By setting the deadline in H.R. 2483 for fundamental tax reform, I think we will force this Congress and this country to come up with a better way in which we can gain the revenue we need to run the Government and the important programs of the Government, but do it in a way that does not force 50 percent of Americans to run off to H&R Block or somebody else to get help in putting together their taxes.

Now, I am pleased to report that today, and it has just been a week and a couple of days since we filed this historic legislation, 2483, that 47 Members of this Congress, this House, have moved forward to cosponsor that legislation. I am pleased with the fact that just the day before yesterday, out in front of the Capitol, Senator BROWNBACK, the senior Senator from the State of Kansas, announced that he

was putting his version of our legislation in before the U.S. Senate. So now we have a bill in both Houses to sunset the Federal Tax Code and to begin this great debate.

I am pleased with the fact that this is bipartisan legislation. In this House both Republicans and Democrats are sponsoring H.R. 2483. I am also pleased that groups outside of the Congress have already moved forward in support of our legislation to sunset the Federal Tax Code.

The most important group, in my view, in America that deals with small business and entrepreneurs, the National Federation of Independent Businesses, on Monday launched a nationwide campaign in support of legislation, our legislation, to sunset the Federal Tax Code. They have decided they are going to get a million signatures across this country to bring here to Washington to lay down in front of this Capitol to say to Members of Congress your constituents back home, Mr. Congressman or Congresswoman, they would like you to move forward on this debate on sunsetting the Federal Tax Code.

They have been joined, along with the NFIB, Americans for Hope, Growth and Opportunity, which is headed up by Steve Forbes, who in the past few years has raised the issue of a national flat tax and tax reform to a national debate. They have endorsed our proposal as well as Americans for Tax Reform, which is one of the most important organizations that have been fighting for fundamental tax reform for a long, long time now.

These organizations, along with people across the country, have called in to our office and offices across Capitol Hill and are saying, yes, we want to sunset that Tax Code, we want to begin this debate on fundamental reform of our Federal tax system. We want to do for the Tax Code what Congress did this year by balancing the budget; set a goal, involve the American people in that debate, and move this issue forward.

Now, what exactly does H.R. 2483 do? It is real simple. As a matter of fact, it is probably one of the shortest pieces of legislation in terms of verbiage we could ever find. I even understand it. I do not need to have people explain it to me, which is a blessed relief in Washington to have something so short even a Member of Congress can understand it. But it is just this long. It is less than a page of information.

And all it does is say, first, that the Internal Revenue Code is sunsetted on December 31, 2000. Three years from this New Year's Eve the entire Federal Tax Code will come to an end. It repeals 96 of 99 chapters of that code.

I make this caveat. The only thing we do not repeal in there are the provisions relating to the financing of Social Security and Medicare. I do not want to touch those two systems. The way we collect the revenue for those two programs will not be touched by our reform of the remaining part of the Tax Code that deals with all the other provisions.

We eliminate the overwhelming majority of the 5.5 million words in that Tax Code and, frankly, eliminate the need for most, if not all, of the 113,000 folks who work at the Internal Revenue Service.

We will reduce the $200 billion cost of tax compliance. What does that mean? It means that folks every year spend in our country $200 billion out of their pockets every year to have somebody help them prepare their taxes, keep their records they need for their taxes, get advice and consultation on how to deal with this 5.5 million words Tax Code. That is $200 million that families will have to spend to set aside to put for their college education of their kids, maybe to take a vacation that is long overdue, put a new roof on the house, maybe some folks will use that money, instead of preparing for the tax man, to start a new business instead, to create some new jobs in their businesses for other folks to be employed. It is a lot better way to spend those dollars than in complying with the 5.5 million-word Tax Code.

Now, I think these are important steps forward, the opportunity to sunset this Tax Code, and then to begin a great national debate, to involve citizens from across the country in choosing a new system of taxation.

Now, some, like Steve Forbes, or in this Chamber our majority leader, the gentleman from Texas, DICK ARMEY, have proposed a flat rate income tax that we could fill out on a postcard about this size. We would put down our income and a few basic deductions and send it to Washington. We would not need to fill out countless forms and deal with countless bureaucrats or countless Congressmen and women to fill out our tax forms.

There is another alternative, proposed by the gentleman from Texas, Mr. BILL ARCHER, chairman of the Committee on Ways and Means, or the gentleman from Louisiana, Mr. BILLY TAUZIN, or the gentleman from Colorado, Mr. DAN SCHAEFER, and they propose no income taxes or no business or corporate taxes at all, just a national sales tax.

Now, those are two good ideas. I am sure there are many more out there out across this country, and once people realize we are serious about sunsetting the Tax Code, I think we will be flooded with good ideas, just as we were during the balanced budget debate on how we can move forward with a better, fairer system of taxation in this country.

But there is another reason to change, and that is a fundamental philosophical one. This current 5.5 million-word Tax Code, which is enforced by 113,000 IRS folks, which is changed and meddled with constantly by 535 Members of Congress, this does more than just cause inconvenience, it limits other personal and economic freedom, and it discriminates against children and families and entrepreneurs.

The Tax Code encourages, as I mentioned, hundreds of billions of dollars in tax costs of preparation and it also incurs hundreds of billions of dollars in the underground economy, which we never find out about and which is never taxed and the revenue is lost to the Government.

I think most of all the complexity and unfairness of the Tax Code leads most folks back home to distrust the Tax Code. I know when I hold town meetings throughout the Finger Lakes or western New York, in Buffalo or Rochester or Syracuse, New York regions, people come to me all the time and say they do not believe in the system; it does not work, this tax system, and they lose their faith in a Congress that has put this in place or a Government that enforces it. We can change all that.

If there has ever been a reason to make change, all we have to do is walk out of this Chamber and down to the other body at the other end of this Capitol and listen to the discussion that has been going on in the committee chaired by Senator BILL ROTH from Delaware on the Senate's Committee on Finance, that has been holding hearings this week, bringing in current and former IRS agents and other experts who have been talking about the abuses of this current system and how it is unfair.

They have done it in the Senate, and earlier this year Money magazine devoted a lot of attention to this issue. And they have said that the Internal Revenue Service says that they are simply implementing the Tax Code that Congress put in place. There is no arguing the current code is too complex, but any agency with the power of the Internal Revenue Service needs to be watched very, very closely. Whether it is Money magazine or "60 Minutes", the CBS show last Sunday night, or the Senate hearings, they have been underscoring these kind of statistics, which are frightening.

The fact is that more than 8 million Americans a year receive incorrect tax bills, incorrect tax billings from the Internal Revenue Service.

□ 1430

Or the refunds are incorrect because of mistakes made by the IRS when entering information in their computers. That is 8 million wrong tax bills or refunds. That is as if every tax bill or refund was wrong for all the taxpayers of Alaska, Delaware, Hawaii, Montana, Nebraska, Nevada, North Dakota, South Dakota, Vermont, and Wyoming;

10 States' worth of wrong taxes or wrong refunds sent out by our Government. What kind of company in the private sector would stay in business very long with those kind of statistics?

The IRS has wasted more than $5 billion since 1986 in an effort to modernize their computers. Just think of that, they cannot even get a computer system set up to handle all the information that comes in. These are the kinds of things that are concerning the taxpayers across this country.

In fact, in a Money magazine nationwide poll, taxpayers believe the IRS collection tactics are heavy-handed, intrusive, and outdated. As a matter of fact, 34 percent of taxpayers who have been audited said the IRS acted rudely or were asked probing questions about their lifestyles that had nothing to do with their taxes.

My colleagues in this Chamber, you know and I know, we hear it all the time from our constituents, we do not need a magazine to prove it. We do not need "60 Minutes" to prove it. And frankly, even though they are important hearings, we do not need more Senate hearings. What we need is action.

I am pleased with the fact that the IRS itself is starting to get the message. In the Washington Post today the headline is, "Beleaguered IRS Announces Steps to Curb Abuses. Agency Won't Rank District Offices on Revenue Collected Acting Chief Tells Senators." In other words, they heard all the testimony in the Senate, and the IRS is rushing out to say, OK, we will clean up our act.

It says, "The Internal Revenue Service, battered by 3 days of Senate hearings into agency abuse of taxpayers, of its own employees, yesterday announced a series of steps to ease the pressures that some IRS workers say lead to the problems. The acting commissioner, Michael Dolan, told the financial committee that they will stop ranking their district offices based on revenue collected."

What does that mean? What it means is that they are admitting what we know is the case, that there is in effect quotas, that IRS employees are told, "You are going to be graded and ranked." The offices are, so the individuals clearly, it all adds up, are ranked based on what they collect. That means there is tremendous pressure to collect more. Do not worry whether or not it is fair or unfair, just go out there and get those dollars and make those seizures.

I do not think that is the way we want our Government to work. But the Acting Commissioner Michael Dolan said, "I don't come here," to the Senate this is, the other body, "in denial. The IRS is trying very hard to make a priority of serving law-abiding taxpayers."

My colleagues, that is an impossibility. The Acting Commissioner may be going in doing a mea culpa, may be going in and saying, "We are going to make some changes," but they are temporary. They will not last. We get this every few years we go through this cycle. They cannot, because while the vast majority of folks who work with the IRS are good and honorable people, they are caught in a system that is impossible to administer. They could not, even with $5 billion, billion with a "B", develop a computer system to handle this whole tax system. How in the name of the good Lord could they ever come up with a system that is going to ensure that these kinds of abuses do not occur in the future? They cannot.

When you have 5½ million words in the tax system administered by 113,000 people that have such great discretion over their interpretation of those rules, when you have 535 people in Congress meddling in this, and by the way, I would point out that we do our share to make this system worse. During the decade of the 1980's, Congress changed the tax law 100 times. The 1986 tax reform alone added 100 new forms to the tax system. And even the things that we did this summer which were good, they were tax cuts, Money magazine says one alone, capital gains changes we made, will add 37 new lines to the capital gains form.

So when we have got all this activity going on, who loses? The taxpayer. The system will never change. The IRS Commissioner can be doing this in good faith, saying, "We are going to try harder." It will not work. It is doomed to failure. I predict that if 50 percent of Americans today are seeking help filling out their tax forms, within the next 2 years, that number will rise. It will be 51 or 52 percent. More Americans will be upset with the system.

The only solution is the solution that moves this country forward to give ourselves a better future, to open the opportunity for the next millennium to be better, the next 100 years in this Nation's history better than the last 100 years. As we enter the next millennium, the next 1,000-year cycle, would it not be wonderful to do so with a new system of taxation in this country?

We began the early years of this century putting in place the current Internal Revenue system, about 1913. My bill will sunset it on the last day of this century. We would have begun and ended this century with the Internal Revenue system we have today, and we can begin the next century with the new approach.

The logical question is: What approach do I favor and the sponsors, the 47 of us who sponsored this legislation in the House, H.R. 2483? Some of us make choices and take sides in the debate: Should it be a sales tax or flat-rate income tax or any other tax? I do not. I think any system, just about any system, is better than the one we have today.

H.R. 2483 sunsets the code effective December 31, 2000, protects Social Security and Medicare. We do not touch the funding of those two systems. But it gives the American people an opportunity that is all too rare in this country, one that we are trying to do more of in this new Republican-dominated Congress: Give them, the American people, our employers, the opportunity to be involved in changing the tax system.

I am excited about this. I think this is an opportunity for the Members of this House and of the other body to look at the American people and say, we are going to shoot the gun to begin the race. We set the goal line down there, but we are going to let you determine how that race is run.

We want the American people to come forward with their ideas on reforming, fundamental reform of the Tax Code. We want their ideas on whether they support a flat-rate income tax, a national sales tax, or some other form of taxation. But the important thing is beginning this debate and this race.

I am hopeful that this Congress will consider H.R. 2483 and our Senate companion bill this year. If we do so, that will give us 3 years to involve the American people in this dialog on the fundamental change we want to undertake. It will also give us 3 years to ponder what kind of country do we want moving into the next century.

Do we want one that is driven by Washington-mandated dictates? Do we want one where we in this Congress or bureaucrats or Federal agencies determine outcomes for our families or our businesses or our futures? Or, on the other hand, would we rather have a system of taxes that allows the greatness of this country to flow from the American people, not from Washington, DC? Will we want a Tax Code that allows entrepreneurs and small businessmen and women to achieve all the success they want in their lives? Will we have a system that will allow people to employ their friends and their neighbors and relatives and people down the street in their businesses, creating more hope and growth and opportunity across the country?

I think that this issue of fundamental sweeping tax reform, setting aside the current Tax Code with a new system of fairness, combined with our effort to balance the budget and to stay the course on controlling wasteful Washington spending, these will give my little 16-month-old daughter Suzie and children across this country like her the opportunity to live and work in what will again be in the next century the great Nation that we have been in this century.

There are many other challenges we are going to face as a country. If we can solve problems like the deficit that we have been running up, address the

debt issue, which the gentleman from Wisconsin [Mr. NEUMANN] in this Chamber is working so tirelessly to do in his legislation to be able to pay down our Nation's indebtedness so we are not burdening the future generations with that indebtedness that we are running up today, and if we can fundamentally change this Tax Code, throw it out, come up with a system that unleashes the greatness of this country, I think the best days of this Nation are truly ahead of us.

I look forward to working with my colleagues as we see this issue to fruition.

CAMPAIGN FINANCE SYSTEM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Florida [Mr. SCARBOROUGH] is recognized for 30 minutes as the designee of the majority leader.

Mr. SCARBOROUGH. Mr. Speaker, I want to just say that I support fully the efforts of the gentleman from New York [Mr. PAXON]. I certainly was honored to be at the press conference earlier this week when we saw a man who actually dared to look ahead to the next century and dared to challenge what the existing status quo is and say, we can do better; we as a country can demand more from our Government, we can demand more from our tax collectors, and we can prepare for the 21st century now. And I think my colleague has got a great idea.

I also want to comment, though, on some statements that were made earlier by our friends on the other side of the aisle regarding what they claim are their efforts to clean up the campaign finance system.

We heard one after another come up expressing shock and sadness over the current state of the campaign finance system. And it reminded me of an old song that I used to listen to in the 1970's. It was by the Stylistics, and the song was called "Make Up To Break Up." I think we can adapt the music to that song to something the Democrats could sing, and they could call it "Make Laws To Break Laws."

I say that because here we have a group of people that have profited from what the New York Times, the Washington Post, the Los Angeles Times, Newsweek have chronicled as perhaps the greatest fund-raising abuses in the history of this republic, who are now trying to paint themselves as reformers.

I do not fear new laws. I do not fear a campaign finance overhaul. I think it is good. I think it is good for us to reassess time in and time out what is best for this country. But what I do fear is the level of hypocrisy and disingenuousness that makes Americans cynical about the type of government that they have in Washington, DC.

Here we have an unprecedented abuse of campaign finance laws by a group of people who are now saying, "Let us make some more laws," instead of saying, "Let us abide by the laws we already have on the books and hold those people accountable that broke the law in 1996."

The news people have told us sordid tales about how the DNC, the Democratic National Committee, laundered money through organizations and improperly used Federal agencies to help in their reelection efforts. In fact, the Washington Post, New York Times, Newsweek, and others have told about how the Democrats used the Energy Department improperly, the CIA improperly, the National Security Committee improperly, the Commerce Department improperly, the FBI improperly, the office of the Presidency improperly, the office of the Vice Presidency improperly, the INS improperly, and how they use other agencies improperly, also.

The New York Times took it a step further this past week. In an editorial, the New York Times wrote that neither Janet Reno nor the President could any longer be trusted on the issue of campaign abuse inquiries. Why? Because the same newspapers have reported that the DNC funneled money to Teamsters; that the DNC used the CIA, an agency that is supposed to protect this country and not get involved in politics, but the DNC used the CIA to pressure national security officials to let an international fugitive into the White House for a fundraiser.

The Democrats wanted an international fugitive, who had already been kept out of the White House by the National Security Council, they wanted to get them in by strong-arm tactics on the CIA. This is absolutely incredible. And yet, these same people are now claiming that they are the champions of reform.

I am sure a lot of my colleagues have heard about how the Democratic National Committee in the White House made phone calls from the White House to raise money improperly, or how they had all these coffees. The Democratic Senator in the hearing said that he counted 103 fund-raiser coffees at the White House. And yet, after the Democrats first denied that it ever happened and then said, "Well, we cannot remember whether it happened," next they said, "Well, maybe it did happen. But even if it did happen, it was not a violation of the law." And yet the Los Angeles Times reported this morning that, in a bluntly worded memo back in 1993, the White House's own attorney, the President's chief counsel, Judge Abner Mikva, instructed the White House officials that it was illegal, that it was illegal to make phone calls from the White House, and that it was improper and illegal to raise money at the White House.

□ 1445

Now what do we see from the news media, the TV news media? Because there is a big difference. The print media is actually following these stories and bringing it to the forefront, but for some reason Dan Rather, Peter Jennings, Tom Brokaw, and those on the nightly news do not want to get it out.

What are they telling us? What they are telling us is this is an old law, this is an old law like the Bill of Rights. Those are old laws. The Magna Carta, that one is an old law, too, but this law is over 100 years old, so it certainly cannot apply to the White House. Jeepers, this law is over 100 years old. What does that have to do with anything?

The President's own attorney said in 1993 that it is illegal under this old law to raise money at the White House, that it is illegal for the Democrats to urge fundraising calls at the White House, that it is illegal for the Democrats to have the President hold coffees at the White House, illegal, illegal, illegal on all counts, according to the President's own attorney in 1993.

Why do we not hear that on the evening news? Why do they instead talk about how it is an old law that has never been applied? I do not know why. Why cannot the evening news and the Democrats be as responsible as the New York Times and the Washington Post and the print media?

I mean certainly I understand the Democrats, why they do not want all these illegalities to get out, because every one of them, every person that sits in this Chamber and goes up to that microphone, they got sent from the Democratic National Committee, profited either directly or indirectly from these illegal activities. It is chronicled in the New York Times, Washington Post.

What I do not understand is why the evening news and why CNN cannot report it the way the print media has reported it, and it has been this way from the beginning.

I do not know what their agenda is, I do not care what their agenda is, all I care about is Americans are informed, and if Americans in the end do not care that their Government officials are breaking laws and improperly using national security functions for their own partisan purposes, then let Americans have the government they deserve.

I have got to tell my colleagues, I do not care whether a Republican does it or whether a Democrat does it, if it is illegal, they need to be held accountable. And, speaking about Republicans, I got to tell Members I was a little bothered this past week when the Republicans decided that they were going to stop the hearings in the other Chamber. They were just beginning to get information out about documents being

shredded, about the CIA improperly being used, but some people have suggested, and I hope it is not true, that those Republicans were concerned that the bright light of disclosure may also have shone down harshly on them.

Let me tell my colleagues, if that is the case, too bad, let it all out. Let us examine the Democrats and the Republicans and clean up the system. It is the only way we are going to restore confidence in this system.

Today the first speaker came on the floor, and he came on the floor talking about how the Democrats should be congratulated for bringing the issue of campaign abuses to the forefront. Congratulated for what? I mean that is like Marv Albert walking out after his trial yesterday and saying, "Hey, I deserve credit for bringing sexual abuse to the forefront." Give me a break. It is a joke. Who are they trying to fool? What have they done to bring campaign finance to the forefront?

Well, the New York Times wrote in a headline on September 10, 1997, "Democrats Scammed $2 Million To Aid Candidates, Records Show." Another front page article in the New York Times, same day, says ex-party leader admits arranging access but defends the interventions. Democrat tells Senate panel he set up CIA session, and the GOP press inquiry, says of a Democratic Party contributor, "I think it is important for us to recognize there are good Democrats out there that do want to contribute to the Democratic Party because they believe in what the party is doing."

And that is fine. Those people should not be afraid to contribute to the Democratic Party in the future, but unfortunately now they have to be afraid of it because they unfortunately were put in a money scheme where $2 million was skimmed of their money in the wrong accounts. One Democratic Party contributor who requested anonymity said, "Whoever did this should go to jail, this is illegal, and they knew it."

Now what does the chairman of the Democratic National Committee, Donald Fowler, say before the committee? He said, "I have no memory of any conversations with the CIA." This was talking about access for donors. So that is one thing they did to bring campaign abuses to the forefront.

Here is another thing they did that they are so proud of to bring campaign abuses to the forefront. This was in the Washington Post on September 19, 1997, where the headline says the United States says that Carey aides used the Democratic National Committee and the AFL–CIO consultants, plead guilty to funneling money to Teamsters' reelection campaign. And the Washington Post quotes in the body of this, which I guess again Democrats are proud to bring this to the forefront, they say, "Both the DNC, the Democratic National Committee, and the Clinton-Gore reelection committee agreed to seek contributions to the Carey campaign in exchange for Teamsters' donations to the DNC." The Washington Post.

That, my friends, that, Mr. Speaker, is illegal. It is called money laundering, and if they want to take pride in that, so be it.

What else have the Democrats done to bring campaign abuses to the forefront which they are so proud of? Well, the New York Times, they chronicle in their editorial about how the Democratic National Committee had an open door for an international fugitive, and this is what they wrote about this sordid tale of the Democratic National Committee using improper influence over the Committee on National Security and the CIA to get international fugitives into White House fund-raisers. The New York Times wrote on September 19, 1997, "He was affirming that in the shadowy reaches of the international business world it was believed accurately that during 1996 dubious entrepreneurs could buy White House audiences, particularly if they did not quibble about the cost of a ticket." And the New York Times went on to write in their editorial, September 19, 1997, "that so many high level people even took the party's role into consideration is one of the most shocking lapses of judgment."

Mr. Speaker, some people might be asking why am I on the floor talking about this. This is not one of my top issues. I am on Committee on Government Reform and Oversight, but I would not be down here if I had not heard for a week people on the other side of the aisle beating their chest in self-righteous indignation about how they were the only ones who cared about campaign finance abuses. It is absolutely ridiculous. There is no moral equivalency here, there are no editorials like this talking about access being bought through national security people. This is an unprecedented level of abuse in fundraising, and yet these same people are trying to change the subject. They are talking about making new laws instead of keeping the laws they already passed.

I got to say it would be like Princess Diana's driver coming back from the dead, holding a press conference and saying, you know what we really need to do? We really need to lower the speed limit in tunnels in Paris, or we really need to toughen up the drunk driver laws. Wrong. You need to abide by the laws that are already on the book. Do not try to change the subject. Do not try to point fingers at somebody else. Let us look at the issue before us, let us look at the laws already on the book, let us look at the laws been on the books for over 100 years and just abide by those laws instead of making new ones.

We have more things the Democrats did that they are proud of bringing campaign finance to the forefront. A September 19 New York Times article says, "Oilman Says He Got Access by Giving Democrats Money." OK. We had our second speaker come on the floor today talking about how anguished he was that money bought access in committees in this House. Well, some of them even gave $5,000, $10,000. What he did not tell us was the rest of the story about how he got dollars from special interests pumped into campaigns across the country from extremist groups that wanted to write in their own provisions in environmental legislation.

What did this international fugitive that got White House access improperly say at the end of his experience? He said, "I think next time I will give $600,000," because he was commenting, he said $300,000 to get access but he still did not get his pipeline. So his only comment was, "I think next time I will give $600,000."

We also have some more articles: New York Times, Wednesday, September 10, an editorial. They say Mr. Fowler's selective memory—now he is the chairman of the Democratic Committee, past chairman, and the editorial in the New York Times quoted yesterday's testimony yet again, abuses that occurred were solely the responsibility of the Democratic Party and not the White House. The guy wanted to say, now that Mr. Fowler has spoken, the committee needs to press further into the White House's role in running the campaign. The President is under more pressure than ever to step forward and explain how he could have let the system spin out of control. Also, those leisurely investigators at the Justice Department need to explain why they are so far behind the newspapers and this Senate committee.

Now this is fascinating, talking about how the Justice Department is behind news reporters. Do my colleagues know we do not find out until the Washington Post broke it on September 3 that the White House and the Democratic National Committee has illegally shifted soft money into hard money accounts? If we had known that 90 days ago, there would already have been a special prosecutor today, but the Attorney General has been saying we cannot do it because we do not have the information, and yet there was an administrative bungling, some would say an administrative coverup, at the FBI and at the Justice Department.

We have to depend on news reporters from the Washington Post and the New York Times and the Los Angeles Times and the Washington Times to get information because our Government is failing us, and it is failing us because obviously there is such a close link between the Justice Department and the White

House that they do not want to investigate their boss. I guess I can understand that. I guess if people in my office were responsible for investigating me, I might be a little worried. It does not make sense. That is why the New York Times and other newspapers across America have been talking about the need for the Attorney General to appoint a special prosecutor to look into this.

In fact, the New York Times earlier this week wrote, "Janet Reno and the President can no longer be trusted to look into these abuses." And I think that is a sad statement; I think things have happened with this Attorney General that would even make John Mitchell blush. Of course John Mitchell was the Attorney General that covered up for Richard Nixon, a Republican who had quite a few fundraising abuses of his own. And that is why we need independents in Government, that is why we need a third party, not a partisan Republican, not a partisan Democrat, but somebody on the outside that can look into these abuses and see how American democracy was subverted in 1996 by some of the shadiest practices in the Democratic National Committee that have ever, ever occurred in this democracy.

I have a few more posters, Mr. Speaker, but two that I want to show I think lie at the heart of this growing scandal. One of them was just an absolutely shameful episode where a former White House official testified about the pressure she received from the Democratic National Committee and the CIA to let an international fugitive in the White House.

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In her testimony, she talked about how Energy Department officials and the CIA pressured her as a national security officer to let this international fugitive in that was wanted for $3 billion in embezzlement.

What happened was the Democratic National Committee went to the National Security Council and said we need to let this international fugitive in the White House. The National Security Council said "no." This lady said "no," and Sheila Heflin is her name, and then the Democratic National chairman hung up the phone, called Bob, that is all he is identified as, Bob at the CIA, and asked Bob to call the National Security Council to tell them to let this person in the White House.

The CIA called the National Security Council and said, "go ahead, let this guy in the White House." And to her credit, this White House official once again said "no, this is improper."

We learned later about meetings between the international fugitive and the chairman of the National Security Council, or the chairman of the Democratic National Committee. And he had a meeting with him and wrote down in his notes "Go to CIA, Bob." Wrote down notes, "Call the CIA to get this person in."

The New York Times wrote on September 18 testimony from Sheila Heflin, and this is what she said, this ex-White House official, who was pressured by the CIA to let an international fugitive in the White House, "I was shocked. I said what the hell is going on? Why are you guys working with Fowler at the Democratic National Committee?"

It is absolutely unbelievable, and I hope it is unprecedented. I do not know if it is or not.

Now, what did the chairman of the Democratic National Committee say to these investigators when they had notes that he wrote down saying "Go to CIA, Bob"?

What he said to them was, "I have no recollection of talking to him." Is that not amazing? I have been thinking for the past couple of weeks about bringing a bill called the National Amnesia Relief Act, because I really do think there is something in Washington, DC, that if you mix water, normal tap water, with a subpoena, amnesia ensues. Because I have heard more people on the Committee on Government Reform and Oversight come before our committee and say "I have no recollection of that event. I have no recollection. I have no recollection of that." Everybody has been doing it.

That is their only defense. It is shocking. It is sad. They know. They know that Americans are not that dumb, and I am surprised they continue to insult us.

This is a note that the chairman of the Democratic National Committee had on paper that was brought up at the hearings. He wrote a note to himself. It is a simple note. It says "go to CIA." That is Democratic National Committee Chairman Donald Fowler's handwritten note reminding himself to use the CIA to intervene on behalf of an international fugitive for Democratic Party fundraising.

Now, let me tell you something, Mr. Speaker. If I was in a meeting with an international fugitive and that international fugitive wanted to get into the White House, and he asked me to call the CIA, and I wrote down on a note, "Go to CIA," and then I went to the CIA, and then I called the Committee on National Security, and then I get this international fugitive into the White House where I get him to give $300,000 to the White House, I think I would remember. But somehow in Washington, DC, inside the beltway, if you mix normal tap water with a subpoena, amnesia ensues.

"Go to CIA." It is pretty clear. "Go to CIA." That is so straightforward that even somebody who graduated from the University of Alabama like myself can understand it. "Go to CIA." That means improperly use your position as Democratic National Committee chairman to go to the Central Intelligence Agency to get an international fugitive an audience with the President of the United States of America for improper purposes.

Do not tell me you do not remember. It is offensive to be told time and time again about how these people do not remember how they may have broken the law. It is offensive when we find out on the Committee on Government Reform and Oversight that 900 Americans' FBI files were improperly obtained by the White House staff by a man named Craig Livingston and then have Craig Livingston, Craig Livingston's bosses, and Craig Livingston's supervisors tell us that nobody knows who hired Craig Livingston.

I remember, I was asking him, Mr. Livingston, you said you always wanted to work at the White House, that this was the dream of your life, right? He said "yes."

So we asked him, when you got that faithful call that morning that said, Mr. Livingston, you are coming to work at the White House, who called you?

He said, "I cannot recall."

And then we asked the supervisor who fired Mr. Livingston, who said he was responsible for Mr. Livingston's actions. We said who hired Mr. Livingston, this man who improperly obtained 900 FBI files? "I do not remember."

If it were not such a tragedy, you know, it would be funny. But it seems like everybody has sort of lost their memory. They forgot who hired the guy who improperly seized 900 FBI files. They forgot that they wrote notes telling them to go to the CIA, the Central Intelligence Agency, to get an international fugitive into the White House. They forgot if they made any phone calls, they do not think they did, but maybe they made a phone call or two from the White House and then they find out they made 46 phone calls. Oh, OK, maybe we made 46. They find out they made over 100, and they say maybe I made over 100 phone calls, but they are not illegal. This is an old law. But they forgot their own counsel in 1993, Abner Mikva, said it is illegal to raise money?

The White House, it is time for people's memories to be restored. It is time for America's confidence in the U.S. Congress to be restored. It is time for America's confidence in their President to be restored, and it is time for America's confidence in the judicial system and in the Justice Department to be restored. And the only way to do that is for us to stop playing the type of games that have been played this week by people that are doing motions to adjourn, to supposedly show how much they care about these campaign fundraising abuses, and instead demand that the Attorney General do what she

should have done, according to the New York Times, months ago, and get somebody independent to go shake up some of these people to get their memories jarred so we can figure out why, in the words of the New York Times, access to the White House to international undesirables was so prevalent during the 1996 campaign.

It does not matter if we are Democrats or Republicans, liberals or conservatives, we have a responsibility to ask the tough questions, even if we may not like the questions. I ask my friends on the other side of the aisle to start doing that.

I guess my confidence in some of these people calling for campaign finance reform maybe would be stirred a little bit if I would have one Democrat stand up and say, "yes, I too am concerned." But they are not doing it. They are concerned about stonewalling, and until they change their concern, then I am afraid America will be worse for it.

A FLAWED TOBACCO SETTLEMENT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Kentucky [Mr. BAESLER] is recognized for 60 minutes.

Mr. BAESLER. Mr. Speaker, what I want to talk about today is the tobacco settlement that was negotiated between the several attorneys general and several of the manufacturers of tobacco in the United States.

It was the intent of those negotiators when the settlement was reached to have Congress ratify the agreement and put the settlement in place. However, the negotiators and the manufacturers made at least two strategic errors in their discussion.

First, during the negotiations themselves, they did not include the constituency necessary to bring this matter to the Congress for its consideration. For instance, nowhere during the period of time were the farmers in Kentucky, North Carolina, Tennessee, Virginia, and other tobacco producing States represented at the table or represented at the negotiations.

Also left out of these discussions were other members of the tobacco family who depend on tobacco for a major part of its revenues, such as convenience stores. For those who might ask why convenience stores throughout this country, between 20 and 28 percent of their net profits comes from the sale of tobacco products.

So the point I am making is it is not responsible to suggest that Congress will take the tobacco settlement as proposed and pass it, because there is no constituency in Congress for the settlement, because the right people were not all included when the discussions took place.

Who do I talk about when I talk about the tobacco family? In this Hall, as in the other Hall across the building, tobacco is not a popular subject with a lot of people. Throughout this country, we are castigated annually, monthly, by a lot of people, some people know about us, some people do not. But the tobacco family is much more than the manufacturers. The tobacco family in the State of Kentucky are 60,000 farms of the 90,000 who have allotments. Those allotments usually are less than 5 acres, unlike the large allotments in North Carolina.

On these farms, practically for the last 150 years, people have had part of their income generated from the production of tobacco. The tobacco family also includes the farm implement dealers. It includes the feed stores, it includes all the people in the small communities. And in my district alone, some 8 to 10 of the counties are most dependent on tobacco that are in the United States.

The tobacco family are the folks who are trying to pay the taxes, not the large manufacturers who are in the top 10 companies in the Nation or worldwide, but small farms who might make $3,000 or $4,000 a year to pay the taxes or to maybe put their kids through school.

So these folks were not represented when this discussion took place. To give you a comparison of what it meant, since in early 1938 to 1940, tobacco farmers in this country have been paid a total of $80 to $85 billion for all their products put together. The tobacco settlement was for $368 billion overnight. So it was proper that they be there, but they were not.

So for this settlement to come to Congress, representing the tobacco farmer and the tobacco family, there are certain things that have to be included before I and many other people who represent the farmer will even talk about it or definitely would even think about supporting it.

First of all, in Kentucky it is mandatory that the program of tobacco be maintained. Throughout this country, different people think different things about the program. They say why should the Federal Government be involved in subsidizing tobacco. The government is not involved in subsidizing tobacco for many, many years. What the program means in tobacco, particularly means, is you regulate in burley tobacco or dark-fired tobacco in Kentucky or flue-fired in North Carolina, you regulate how much can be sold, and you put a base or a floor on the price for which it is sold. That is what the program is.

When the manufacturers do not buy the tobacco during the marketing season, then the tobacco goes into a pool that is maintained, and that pool of stocks is then sold over the period of years to other buyers throughout the world.

Any cost to maintain that pool is paid for by an assessment against the tobacco farm and the manufacturers. The Government has no role in that whatsoever. So we say why should the program be maintained? Why do you care?

As I indicated earlier, in Kentucky there are 60,000 farmers that have allotments. Each one of these allotments has a monetary value for their farm. If I buy a farm in Kentucky of 100 acres and if it has 10,000 pounds of tobacco, a quota, that means I can easily anticipate that I might pay a great portion of the payment on an annual basis out of the tobacco.

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Without the program, I have no monetary value attached to the tobacco, because anybody can raise it.

The second reason, other than just to keep the price paid to the farmer up, which is important, for those folks in this country who do not like our product and who suggest that we should not even be in the business, they say, why should we be involved in the program? Well, I suggest to my colleagues, Mr. Speaker, that with the price of the product up, the folks who are antitobacco would suggest, well, that might mean the consumption then would go down, because the cost would be higher.

So on this issue on the program for tobacco in the settlement, it is interesting, but we will have several different constituencies that are not always together supporting this issue. Those who do not like tobacco, are antitobacco suggest, well, we need to keep the program because we have to control its production, and we have to keep the price higher, and only with the program can we have certain controls on what is put on the tobacco, what type of chemicals and so forth, because it would just depend on the tobacco from out of the United States, and we cannot do that.

So the program is essential. The program is different in different States. In flue-cured it is acreage versus poundage; in burley in Kentucky it is basically poundage; and in other parts of Kentucky it is basically acreage. So for any settlement to come here, it is imperative that we have a program, because without a program, what will happen?

No. 1, the price of tobacco will drop substantially to the manufacturer. Rather than pay $1.90-something per pound for burley tobacco in Kentucky in November, the manufacturer will be able to pay $1.50, $1.40, next year $1.20. What does that mean? It means that people in the tobacco business, especially tenants, could not raise it at all, because they only get 60 percent in some cases, 50 percent in others, and their expenses are not going down. So we would put that whole part of the tobacco family out of business.

The second thing we would do is we would basically turn over all the tobacco production to large corporate

farms or even the manufacturers themselves. I suggest, Mr. Speaker, that those folks who have a problem with our industry would have a bigger problem if that were the case.

Another reason, when we talk about what is going to have to be involved in the settlement, is our quotas must be maintained. This year in Kentucky we have nine hundred million dollars' worth of pounds of burley we can sell throughout this country; $900 million for Kentucky alone, the largest demand we have had in history, contrary to what some people think.

If we maintain our quotas at a certain level and our prices at a certain level, then the part of the tobacco family that is on the bottom of the food chain, which is the farmer, and keeping in mind that on a pack of cigarettes, whether we like them or not, if they are $1.50, $1.75, I do not know what they are, $1.50 or so, the tobacco farmer only gets 3 cents of that. The tobacco farmer is on the bottom of the food chain.

So it is imperative that we maintain the quotas and the allotments and the acreage that these farmers presently are allowed to grow, because if any settlement comes to this floor that wants to cut that, then we are basically going to hurt the farmer to benefit other folks in the tobacco family like the manufacturers, and we cannot allow that to happen.

Another thing that has to happen ties to the program. That is, the price has to have a level it has had similar to today. One would say, why should we guarantee that? For the reasons I indicated earlier. It keeps the price of cigarettes up; it allows the tobacco family to continue to produce tobacco; and in a lot of my communities throughout this State, in the State of Kentucky, the communities themselves could not stand the devastation economically of what would happen if tobacco was no longer present.

So any settlement that comes forward must have the program in place with a level of production and guaranteed purchases from the manufacturers, because really the government will have nothing to do with this, it will be the manufacturers who will have to guarantee the purchases and at a price similar to what it is today. If that happens, then we have an opportunity to discuss it.

Now, regarding the quotas, it is imperative that our quotas in burley, flue-cured and dark-fired others be tied to the world market global sales, not just domestic market. Those folks in this country will admit, and I think I would share the opinion, that domestic sales are going to go down. None of us, whether we are a tobacco farmer like myself or like the other 60,000 farms in Kentucky, think we ought to try to encourage sales to underage young men and women. The sales to underage folks should be vigorously attacked and try to be prevented. We know by doing that, and it is proper to do it, that domestic sales will go down. At the same time, global sales are going to go up.

It is interesting to note that probably more people use tobacco products in Red China than live in the United States. So when we are talking about our quotas and our price from a farmer's perspective, we want to tell the manufacturers particularly that we want to make sure if international sales go up, which they will, then we want to make sure our quotas reflect that.

One might say, Mr. Speaker, why do that? We want to get out of the business. Well, folks, there are 90-something countries that produce tobacco, 26 of them export it, and we are not even the largest. In Kentucky alone we raise burley tobacco in one part and dark-fired in the other. In the burley industry, we raise only 30 percent of the burley tobacco produced worldwide. Flue-cured raises only 20 percent. So the point I am making is, whether we are in the business or not, somebody is going to sell it to the other folks.

My argument all along has been never try to defend tobacco as healthy. It is not healthy. Nicotine is addictive. But there has not been one suggestion on this floor, to my knowledge, or even on the Senate floor, that we ban the sale of cigarettes, not one. We tried prohibition in the early 1920's, and it did not work, and nobody has ever suggested that.

My point is, if one is going to sell it, if it is going to be on the counters, I want my Kentucky farmers to have a portion of it, whether it is dark-fired or whether it is burley.

Why is it going to be sold? Well, for selfish reasons, probably. There are $12 billion excise taxes generated on the sale of tobacco throughout this country. Most States that are involved in the lawsuits against all of the tobacco companies receive more money from excise tax on the cigarette sales and tobacco products than in incurring Medicaid costs. Let me repeat that. Most States today receive more money from the excise tax on tobacco products than they incur in Medicaid costs.

So there is going to be no movement to ban the sale, and if all Kentucky farmers are out of business tomorrow morning, North Carolina farmers are out of business tomorrow morning, when you go down to the convenience store Monday morning, you will find the same number of cigarettes on the counter and probably more health problems, because it is going to come from the foreign nations with less regulations than us. And all we have done, if so be it, to put the American farmers out of the business, the Brazilian and Africans and Argentines will love us, because they can sell the products and not us. So that is why, when we talk about quotas and settlement, the quotas of the American farmer must be tied to global sales.

Some people will say we cannot do that because of the GATT Treaty or this treaty or that treaty. That is often an excuse to hide behind. From our perspective, if we do that, then we can bring the settlement to the floor for discussion with the support of the tobacco family. If not, we will not support it, because we will be like an elevator going downhill, which will be unfair because the manufacturers at that point can move out of country and sell the same number of cigarettes they could from inside the country, and only the farmer, the person on the low end of the food chain, will be the one hurt.

The third part of any settlement has to be that all costs of the program that people believe are incurred by tobacco must be paid outside the government. Right now, even though we have a no-net cost system, when a farmer goes to the ASCS office or the FSA office, as it is now called, in Kentucky and North Carolina and other places, they go there to get service. Some people say, well, we should not have let the clerk or the assistant there help you farmers. Help other farmers, do worry about what everybody else sells, but if you walk in that office and talk to that person about your business, they should not help you because you are a tobacco farmer. It is not fair. That is what we hear here all the time, and it costs a certain amount of money, about $14 million a year.

Another thing we hear all the time lately is if hurricane whatever comes in off the coast and knocks out your crop, or you get hail damage or whatever damage and it wipes out your crop in Kentucky, by the way, you should not be able to get crop insurance from the Federal Government. Everybody else should, but you should not because you are a tobacco farmer. Again, the lower person on the totem poll getting hurt the most because of why? Because of the anger at the manufacturer; not the farmer, but the anger at the manufacturer. But they are coming to get us.

So those costs each year, we pay for crop insurance. Some years, when we have large hurricanes in North Carolina, a number of them rather, we have disease hitting Kentucky, it might be that the cost we pay does not cover what you have to pay out, so we have a deficit in the insurance program. Some people say, well, we should not have that; we are in tobacco. Never mind that when we have floods everyplace else, and everybody else is paid, but not tobacco. But, saying that, let us remove that cost.

So part of this settlement, we need to have an assessment, which I am sure will be agreeable to the manufacturers, that they themselves would pay the losses we have on insurance and the administration costs we have. Then we

could remove the discussion of tobacco from this Chamber, because the only people to get hurt in this Chamber, recently on the discussion of tobacco, is going to be the farmer, not the manufacturer, the farmer, and that is unfair.

So when we talk about the settlement, we need to maintain the program, we need to make sure that quotas and allotments are tied to the global sales, and we need to make sure that any costs associated with the program are assumed by the manufacturer in order that we can remove this discussion from here, because a lot of people at home do not have time to explain their votes because they are not really protecting big tobacco, they are trying to protect the farmer, but they just do not have time to explain, because nobody would believe them.

The fourth thing we have to have is immunity, and why would we say that? Well, the manufacturers want this settlement for immunity, I understand. At some point somebody is going to try to go all the way down to the food chain to the farmer. I do not know how; we do not have anything to do with the manufacturing or the processing, we just grow it. Some people in my State look at me as being the only tobacco farmer here in Congress, and say, well, how could you grow such a thing? One of these days somebody might try to sue us if you are growing it. So if we are going to throw immunity around, let us throw it at the farmer and all the people associated with it: the warehousemen, the farmer and other people in the tobacco business, and that should be the fourth thing.

Let us talk about in case we are put out of business. Lately there has been a lot of discussion here, and what is probably the most arrogant statement I hear in tobacco country is from outsiders: Why do we not help you folks get in some other kind of business? I do not think it is arrogance because of meanness, I think it is arrogance because people do not have the foggiest idea what our business is.

Tobacco in Kentucky, as I indicated earlier, on small farms, 2 acres, 1 acre, 2 acres of tobacco will basically bring about 5,000 pounds of tobacco. Five pounds of tobacco could net you close to $4,500 a year if you raise it yourself. If somebody else raises it for you, they would make about $2,000, or a little less. If a tenant raises it, they have all the cost, some of the revenue, they would make about $2,000, a little less. So if anybody tells us, let us help you do something else; after 200 years of raising this, help us do something else.

If you knew the terrain of Kentucky, you would find out that you cannot run combines over hills that go up and down or go down in the valley for 2 acres. You cannot raise vegetables and compete with people in California who have been doing it for years; you cannot get that kind of return. To assume that a Kentucky farmer would not do something else if they could make more money is arrogance, because Kentucky farmers are not dumb. They want to make more money with the least labor and least exposure as anybody else does.

□ 1530

So they tell us, "We will put you in some other business. We will retrain you." That is arrogance, especially when we consider that the same people that want to retrain us do not want to take tobacco off the counter. They want to leave it on the counter to be sold in their State, because their State generates $600 million worth of excise tax, and they want the Brazilians to be able to grow the tobacco, or the Africans, not the Americans. So do not insult us and suggest that, do something else, it will all work out. It will not happen.

It is ironic, if we walk around this Capitol, walk around it with somebody who knows about tobacco, we will find out, probably to the chagrin of many folks here, that the tobacco leaf is commonly displayed throughout this Capitol because it used to be the currency of this country.

So when we talk about what we are going to do with the farmer in case things go bad, do not give us the suggestion, "Get out of the business now, we are going to help you do something else." What we need to do, though, is understand that tobacco in the communities can be essential, as are other things in other communities.

If we are going to enter into a program whereby the demand will decline and is going to be down, down, down, down, and if there is some way we want to say, OK, we want to get our American farmers out of the business, for some reason, I have never understood why, especially if we are going to have it sold anyway, then we have to make provision for the communities and the farmers.

What are we talking about for the farmers? It is interesting, on the other side of this building not too long ago a Senator said, "I want to buy these farmers out. I want to give them $8 a pound for their tobacco." A lot of my farmers in Kentucky run around and said, "Where is that $8? Where is that line? I want to get into it. I want to find it." Some people threw around $14 a pound. Buy me out. Buy me out tomorrow. Keep in mind, they did not say we are going to do away with tobacco. They just said we are going to buy out Kentucky farmers, North Carolina farmers.

I tell my farmers in Kentucky, I say when people talk about buyouts, you had better ask a couple of questions, four or five questions, actually.

No. 1, what are they going to pay you, $8 a pound? $14 a pound? Now, if they pay you that, is it taxable? The Members know it is, 20-some percent. We are already down to $6 a pound, are we not?

By the way, who do you have to share it with? What about the tenant farmer who does not have a quota? In a program I had the other day, the first person to stand up was a 22-year-old tenant farmer on no quota, no quota, but had his equipment. What are we going to have him do, park his tractor at the barn? He would get nothing, nothing, after his investment.

We have to ask the question, does $8 have to be shared with different people? Should there not be a program for folks in the tenant farmer area?

What about the lessee in tobacco country? We have those who lease tobacco from other people. Should the lessor get all the money, or should the lessee get part of it, because that is who is doing the producing? These are all questions.

Is it going to be paid in installments, by the way? Some fellow stood up and said, "I would like to take my $8." I said, "Fine. Do you want to go here to this settlement? Twenty-five years, get paid $8 a pound over 25 years?" These are questions a farmer has got to ask throughout Kentucky, throughout North Carolina, before we jump at what somebody might offer.

The next thing we have to ask, "What do I have to give up for my $8 a pound? Do I give up the program? What does that mean?" What it means, they give me $8 a pound. If I have 100,000 or 50,000 pounds of tobacco, I get $400,000. It sounds like a lot. It is a lot. But it means next year, can I raise tobacco still?

Some people suggest, "Sure, if you want to raise it, it does not make any difference, we are going to pay you and let you raise it." That sounds nice. But to our farmers, it is fine for the person who owns it, maybe, but the person who does not own it, they cannot raise it at $1.30 a pound. They cannot grow tobacco. So they are going to be out of business.

Do you have to give up the program? The question the farmers need to ask throughout Kentucky, North Carolina, every place else, "If I take this buyout somebody is throwing out, first of all I do not know why they are throwing it around, but if I take it, how much, what do I give up? Can I raise it for my own? Can my kids raise it? What is going to be the decrease in value of my farm?"

You have to ask, "What other costs might I have to incur?" Because right now the program pays the people who grade the tobacco, what quality it is, what goes on the market, how it is sold. The program involves all that cost now and makes it pay. Farmers pay it. Are they going to have to pay more? These are questions the farmers are going to have to ask.

The other thing is, how are the other members of the tobacco family impacted? The farmer has to say, "Do you care how they are impacted? How about the fertilizer salesman down the road? How about the fellow who sells tractors? What about the person who sells a seed, or about the labor, who the only place they work in the summer is tobacco? How are they going to be impacted?"

The point I am making is when farmers are told they are going to have buyouts, or people up here in Washington keep on saying, "Let us just make it easy, let us buy them out," they are doing a disservice. They are doing a disservice because, Mr. Speaker, they are not answering the questions, they are not putting out a program that is clear. They are making everybody in Kentucky think all they have to do is line up at the FSA office and get their check. That is not going to happen.

What we need to be doing is trying to see how we are going to preserve the ability of people in Kentucky and North Carolina, Virginia and other places, to grow this product, since it is going to be on the counters, anyway.

We, Mr. Speaker, should not be trying to export an industry that in Kentucky alone this year will generate $1 billion to somebody else. We should not keep on wanting to throw in the towel and say, "Kentucky farmers, go home. Quit. Park your tractors. Park your wagons. Forget about it. Let the Brazilians have it. No, Kentucky farmers, we are not going to take tobacco off the counters. We just want you out of the business."

When somebody comes down here in this well and makes a motion or files a bill, files a bill to say we are going to ban the sale of cigarettes in the United States of America, then we talk about buyout. Then we talk about other things.

Because that same individual is going to have to tell every State in the Union when they do that, "By the way, California, you are going to have to find $600 million more, plus, a year revenue." "By the way," some of the western States who are paying for education with tobacco products' excise tax, "you are going to have to find so many more millions of dollars worth of revenue."

When they come down and they file that bill, then we will stand up and talk about how we are going to take Kentucky farmers out of the business. But until that happens, there is a certain arrogance about the fact that they want to tell our farmers to quit doing what they have been doing for 150 years, because they do not like us.

Now, I suggest, Mr. Speaker, that throughout this country there are different industries that have different problems internationally, different problems healthwise, whatever; none more pronounced, obviously, than tobacco; none on peoples' lips, obviously, than tobacco in this Chamber, about who they do not like.

But in Kentucky, we are talking about 60,000 farms out of 90,000. One in five people who work in Kentucky have some connection with tobacco. I am not talking about the manufacturers, I am not talking about the people, the top 10 international businesses in the world. I am talking about farmers who work at factories, farmers who teach school, farmers who do other things, and then they go home at night to the tobacco crop. I am talking about people who put their kids through school. That is who I am worried about. The manufacturers can take care of themselves.

But if we sit in this Chamber and keep on trying to suggest we are going to roll the people at the bottom of the food line out of the business, it bothers me. We are not going to solve the health problem when we run our farmers out of business. In fact, we are creating a more serious health problem, because the tobacco that is going to be imported into this country will not have the regulations, not have the supervision that ours has. It will be bought at cheaper prices. Right now in Africa you can buy a pound of tobacco for less than a dollar. Manufacturers cannot. In Kentucky they are going to have to pay $1.90. Which ones do Members think they would rather buy?

So, to conclude, Mr. Speaker, the tobacco settlement created a lot of discussion, but it was flawed from the beginning. It did not have everybody at the table. It definitely did not have the people most affected by this at the table, which are the farmers and the families of the farmers and the communities which the farmers serve and live in.

Until that is corrected, and until we understand how we need to remove this discussion from these Halls for an industry that has been here a long, long time, that does have problems, that no doubt does have some health problems attached to it, then that settlement should never be placed on the table in this Chamber because it is not worthy of discussion.

I find it appalling that a lot of people are criticizing Congress for not taking it up, not taking it up. They should save that criticism when they have the discussion to say who all should we have involved here, so if we get a settlement, then we have a constituency to support it.

In conclusion, I want to say this. We know in tobacco country we are not popular in Washington. We know outside tobacco States very few people like us, even though there are 30 million people that smoke. We know that if we take a vote in here, most of the time we could very well lose because of what has happened throughout the country, a lot of it out of our hands; a lot probably brought on, justifiably, by certain testimony that has happened here in the House that I cannot defend.

But we further know that in Kentucky alone, we are going to sell 700 million pounds of tobacco this year, this year; 700 to 800 million pounds we will sell at $1.90 a pound. Math would teach me that that is close to $1.5 billion that is going to be turned over several times.

The question I ask, Why should we not, if we are going to have this product on the counter, which we are, why should we not let Kentuckians sell it, and North Carolinians, and Virginians sell it? That is what it is all about. They do not have to like us, but they need to understand that I think in this country it is best that we take care of our own, than try to export an industry that is so vital to us for the last 200 years.

We will be the first to acknowledge we have health problems. We know that. But that is not the issue. The issue is, if you are going to sell it, we should grow it and we should provide it, not folks from outside this country.

IN PREPARATION FOR HEARINGS IN THE COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from California [Mr. HORN] is recognized for 60 minutes.

Mr. HORN. Mr. Speaker, what I want to discuss today is some of the reactions that we have found on the Committee on Government Reform and Oversight as we prepare for witnesses at the forthcoming hearings. What Members see here and they will see in the next few minutes is 58 witnesses seem to be unavailable. We are going to break down, where are they.

Eleven of these witnesses have simply fled the country. Let us take them one by one. Charlie Trie. He was last seen in Beijing, China; a former restauranteur, old friend of President Clinton, who tried to give $640,000 in suspicious contributions to the President's legal expense fund.

Now, we cannot seem to find him. The U.S. Government cannot seem to find him. The Chinese Government cannot seem to find him. It is dubious whether the last two entities have even sought to find him. But Tom Brokaw, of NBC Nightly News, they can find him. Of course, the Government, with all the law enforcement forces available to them, with the CIA, the FBI, all the rest, they cannot seem to find him.

Pauline Kanchanalak in Thailand had $235,000 in Democratic National Committee contributions returned because she could not verify that she was the source of that money.

Then there is Ming Chen, a businessman in Beijing, China. He runs the new

Ng Lap Seng's restaurant business in that city. He is the husband of Yue Chu.

Agus Setiawan, Indonesian employee of Lippo, that is a major firm in Indonesia, who signed many of the checks to the Democratic National Committee drawn on Lippo affiliates. Of course, that is a violation of the law, neither corporate money nor money from non-U.S. citizens.

Dewi Tirto, John Huang's secretary when he worked for Lippo, now believed to be in Indonesia.

Subandi Tanu Widjaja, in Indonesia, gave $80,000 to the Democratic National Committee for a dinner with Clinton which may have come from wire transfers from his father-in-law, Ted Sioeng, who lives in China.

Arief and Soraya Wiriadinata, an Indonesian couple who gave the Democratic National Committee $450,000 after the receipt of a half-a-million-dollar wire from Soraya's father, a cofounder of the Lippo Group, a prominent major corporation in Indonesia and throughout much of the Asian area.

□ 1545

John H.K. Lee, South Korean businessman, president of the Cheong Am Inc., Democratic National Committee had to return $250,000 to Cheong Am.

Antonio Pan, ex-Lippo executive, friend of Charlie Trie and John Huang, who delivered cash to individuals for conduit payments. And, of course, we have obviously traced where they went to here, here, here, and here and just mysteriously ended up in various bank accounts for sort of a little overnight session and then off to the committee.

And lastly of the group here who have fled, Ted Sieong, father of Jessica Elnitiarta, who donated $100,000 to the Democratic National Committee. He is reportedly connected to the Chinese intelligence community.

Now, we also have witnesses who have left, besides the ones that have left the countries, there are 11 foreign witnesses that have refused to be interviewed by investigators in those countries where they are now located, conveniently, presumably out of the reach of American congressional subpoenas or, if there is a special counsel, out of the reach of the special counsel's subpoenas.

Now, those individuals, again another 11, are the following: Stanley Hoe, wealthy Macao businessman, associate of Ng Lap Seng.

Suma Ching Hai, head of a Taiwan-based Buddhist cult that tried to funnel foreign contributions to President Clinton's legal expense trust through Charlie Trie.

Roy Tirtadji, Indonesian managing director of the Lippo Group, sent John Huang a laudatory letter for his efforts in money raising for the Democratic National Committee.

John Muncy, executive vice president of the Hong Kong Chinese Bank owned by the Riadys, major family in Indonesia and the Chinese Government.

And then there are the three Riadys, Mochtar, Stephen, and James. They are members of a very rich Indonesian family. Mochtar is the father of Stephen and James, and they own the Lippo Group, about which the newspapers and television stories on this investigation feature rather prominently.

They visited the White House dozens of times. They did not go through on the early morning congressional tour where you see the china and you look at the East Room and the Red Room and the Green Room. They got upstairs. They were able to sit down with the President of the United States and they have contributed hundreds of thousands of dollars to the Democratic National Committee, all illegal.

And then there is Ng Lap Seng, Mr. Wu, Macao businessman whose company wired $900,000 to Charlie Trie while Trie made large contributions to the Democratic National Committee.

Then there is Ken Hsui, a Taipei, Taiwan businessman who attended a July 30, 1996 dinner with President Clinton and gave the Democratic National Committee $150,000. He has dual United States-Taiwanese citizenship.

Then there is Eugene Wu, Taiwanese businessman, coowner of California's Grand Sunrise, Inc. He attended the July 30, 1996 dinner with President Clinton.

James Lin, Taiwanese businessman, coowner of California's Grand Sunrise, Inc. He also attended the July 30, 1996 dinner with the President.

Now, that sort of rounds out the 11 witnesses who have left the country that we cannot seem to get our enforcement agencies to find, or the cooperation of foreign governments to turn them over to us; and 11 foreign witnesses who have refused to be interviewed by the respective investigative bodies within their own country.

Now we get to the 36 House and Senate witnesses who are asserting their fifth amendment rights. These are essentially many U.S. citizens here, obviously. Now, let us go over them.

John Huang, very active in this whole setup, conspiracy you might say, former Democratic National Committee fundraiser, former Commerce Department official, cleared for top-secret, who just happened to go to an office outside the Commerce building and make telephonic reports back to Indonesia after he was briefed by some of the highest intelligence people in the country. And we would like to find out just what was he sending.

Now, he is a Lippo Group employee. He solicited more than $1 million in questionable contributions.

Then there is Jane Huang, wife of John. Her name appears on the Democratic National Committee documents as a solicitor of some Democratic National Committee donations while Huang was at Commerce.

Then, of course, there is Mark Middleton, former White House Deputy Chief of Staff, who became an international businessman. He worked with the Riadys and Trie to deliver the bacon.

Maria Hsia, Taiwan born consultant who helped Huang organize the temple fundraiser. That was the one that Vice President GORE attended.

Manlin Foung, sister of Charlie Trie, was given thousands of dollars to donate to the Democratic National Committee in her name by Charlie Trie. Busy person.

Joseph Landon, Manlin Foung's friend, was given thousands of dollars to donate to the Democratic National Committee in his name by Charlie Trie.

David Wang made a $5,000 contribution to the Democratic National Committee at Trie's request.

Nora and Gene Lum, a fundraising couple who pled guilty to various violations of Federal election laws.

Webster Hubbell, one of the closest associates of the President of the United States, Rose law firm senior partner in Little Rock during the 1970's and 1980's, former Associate Attorney General of the United States, one of the most powerful positions in any administration, and he, of course, is now a convicted felon who received hundreds of thousands of dollars from Lippo after leaving the Justice Department.

Why did somebody pay him hundreds of thousands of dollars after he left? Why did people pay him after he was in prison? Are they trying to shut somebody up? And who are they that is doing the payments?

Well, Mr. Hubbell has asserted his constitutional right to take the fifth and not give us the answers to those questions.

Then there is Hsiu Luan Tseng, a Buddhist nun at a Hawaiian temple who contributed to the Democratic National Committee at the Hsi Lai Temple event.

And then there is Judy Hsu, Buddhist nun who contributed at the temple event.

And then Yumei Yang, Buddhist nun who contributed at the temple event.

Seow Fong Ooi, Buddhist nun who contributed at the temple event.

All of these people have written checks and they have taken the fifth so they do not have to explain a lot of it. Now, some will be probably granted immunity by the Senate committee or the House committee.

Jen Chin (Gary) Hsueh gave $2,000 to the Democratic National Committee, listed the address as home, owned by the temple, but does not live there. So much for home.

Jie Su Hsiao, Buddhist nun who contributed at the temple event.

You can see why so many people fly to southern California to raise money for their campaigns in the East or nationally.

Gin F.J. Chen, Democratic National Committee donor at a fundraiser at Washington's Hay Adams Hotel who may have been reimbursed by Hsi Lai.

Hsin Chen Shih, Democratic National Committee donor at a fundraiser at Washington's Hay Adams Hotel who may have been reimbursed by Hsi Lai.

Bin Yueh Jeng, Taiwanese national who, at John Huang's urging, gave $5,000 to the Democratic National Committee.

Hsiu Chu Lin, employee of Hsi Lai, who gave the Democratic National Committee $1,500.

Chi Rung Wang, a California man who gave Democratic National Committee $5,000 at the temple fundraiser.

Nolanda Hill, business partner of the late Secretary of Commerce Ron Brown.

Yogesh Ghandi, while receiving $500,000 in wire transfers from a Japanese bank, contributed $325,000 to the Democratic National Committee. Of course, we would like to know what happened to the other $175,000. He has taken the fifth, as have all these.

Jane Dewi Tahir, college student, related by marriage to the Riadys, who received $200,000 in wires from the LippoBank and gave $30,000 to the Democratic National Committee. Well, what happened to the other $170,000? We would be curious about that also.

And then Duangnet Kronenberg, sister-in-law of Pauline Kanchanalak, one of those that has fled back to south Asia, Taiwan area, attended a coffee at Vice President GORE's residence.

Maria Mapili, employed by Trie, familiar with the wires that he received from Ng Lap Seng.

Jou Sheng gave the Democratic National Committee $8,000, listing a Maywood, CA, Buddhist temple as his home address, but he does not live there.

Maria Mapili, employee at the Daihatsu International Trading Co., which is owned by Charlie Trie. Mapili reportedly has detailed knowledge of Trie's financial transactions.

Keshi Zhan, a welfare department employee who served as hostess for Trie's fundraisers, gave $15,000 to the Democratic National Committee. She has received immunity from the Senate.

Suh Jen Wu, abbess of the Hsi Lai Temple in Hacienda Heights, CA, immunized by the Senate committee. So they will not be able to take the fifth after that since they are immune from prosecution.

What we are after is the truth and the facts and, of course, as was noted by a speaker earlier this afternoon, we have a tremendous number of cases of amnesia, where people say I cannot recollect.

The gentleman from Florida [Mr. SCARBOROUGH] who made that point, and I have made it on other occasions, we are very worried, of course, as many are, about the Washington, DC, water supply. With all the metallic aspects that are in that supply since the Civil War, and the distribution system has not completely been renewed, we are worried that people that have any contact here just seem to have a great backup of amnesia and lack of recollections on some of the simplest things; like did you bring the half a million dollars hither or yon?

Now, maybe you would forget what you did with a dollar, maybe you would forget where your purse or wallet is, but I do not think you would forget where a half million dollars are. So we face some interesting situations there.

Now, the abbess of the Hsi Lai Temple in Hacienda Heights, as I say, was immunized by the Senate.

Man Ho, the Buddhist nun at the temple who gave the Democratic National Committee $5,000 has been immunized by the Senate.

Yi Chu, Buddhist nun at the temple who gave the Democratic National Committee $5,000 also has been immunized, and you saw some of that testimony when it occurred a few weeks ago.

Siuw Moi Lian, Buddhist nun at the temple who gave the Democratic National Committee $5,000 and was reimbursed by the temple, has been immunized by the Senate, as has been Man Ya Shih, the Buddhist nun in Texas affiliated with the temple.

And another one immunized by the Senate was Hueitsan Huang, Buddhist nun at the temple who gave $5,000 to the Democratic National Committee.

Then Yue Chu, the wife of Ming Chen, reimbursed for contribution to the Democratic National Committee at the temple fundraiser by money from a joint Ng-Trie account also immunized by the Senate.

Now, Xi Ping Wang, Ming Chen's cousin, reimbursed for contribution to the Democratic National Committee at the temple fundraiser by money from the joint account in which Trie was involved, immunized by the Senate.

And that takes care of most of the 36 House and Senate witnesses. There was some overlap. And now where in the world are the committees key witnesses?

Well, I think America was exposed to the testimony of Roger Tamraz, who was detained in Georgia, and that is Georgia, the former portion of the Soviet Union, now Russia, an independent, who was interested in building a pipeline. And he testified honestly, everywhere people asked him the question, either the Senate committee, where he had taken the oath, or news reports, TV programs, all the rest, he said sure I paid hundreds of thousands of dollars. I wanted to see the President. And he did. He had a chance to tell the President about the glories of his pipeline because a few hundred thousand dollars gave him access.

Now, a very courageous woman on the President's national security staff said the President should not see someone like that who was in flight and so forth and various other charges.

□ 1600

That is when somebody in the White House called Bob at CIA and said, you know, can you help us get him into the White House? Now this is unheard of. This is the 50th anniversary of the Central Intelligence Agency. President Nixon tried to politicize it to save his White House where they ill-served the President, just as the current President is being ill-served by many of his friends. That often happens. It is no excuse. But we have got to watch our friends more than our enemies.

So what happens? The professional in the National Security Council gets overruled, and with whoever Bob is, maybe he works for the Democratic National Committee, the CIA, I do not know, but the fact is he admitted that he paid even more to see the President. Business is business. Whether he can take a tax deduction I do not know, but not under our laws.

Now Charlie Trie, of course we mentioned him a number of times. That is one Mr. Brokaw could find, but nobody else seems to be able to find. And Webster Hubbell, we know about him, one of the most powerful people in the Clinton administration. John Huang living in California. He is all over the place. Mark Middleton, a key Clinton aide, he is living in Washington, DC, and took the fifth. Then we have people living in Hong Kong; the Lippo Group; the Riadys living in Indonesia; and Pauline Kanchanalak living in Thailand.

Now where does this all get us in terms of the investigation and in terms of the various witnesses? Where it gets us is this: We have talked about the recollection problem in this town, and a lot of people have accused various Presidents in press conferences over the years of not being able to recollect. But now we have just sort of a plague on our hands, not as bad as the bubonic plague of the Middle Ages, but certainly bad for good government and bad for civility and bad for obeying the laws, because they just brazenly seem to have broken every law on campaign finance, some of which have been on the books a century, some from this century. And they just say, gee, I do not know, you know. Gosh, I just cannot remember.

And then, mysteriously, the papers they cannot find, they show up in previous investigations, either in the residence part of the White House, downstairs in some of the offices, and it is like Peter Pan to sort of flit his or her

way, as the case may be, in this age through the residence, through the White House, and drops little important papers everywhere or hides little important papers so we do not find them for months.

And when our subpoenas go down for all the papers related to the White House, counsel now for 5 years has simply stiffed us. They say, "We do not have to answer to Congress. We are above the law. You cannot have it. It is executive privilege."

And when we followed them down each little rat hole that they are claiming it is executive privilege, as they did in Travelgate, Filegate, and all the rest that this committee has investigated, we find that the only thing that gets a reaction out of them is when we say, OK, you have held us off for about 5 months when the papers are right under your desk, right under your nose, and we will just have to get a contempt of Congress citation, which does carry criminal penalties. And so, that resolution starts moving.

Finally, at 8 o'clock at night, guess what? Boxes of paper appear, and we find interesting little things like "Call Bob at CIA." So maybe they have not burned all the papers. We will be talking about other Cabinet officers down the line that have burned various papers not relevant to this investigation, but relevant to another investigation which will be underway.

And so, we have the recollection problem. And whether we can develop a pill in time and put in a couple million maybe in the budget for the National Institutes of Health to help us on recollection, and we can give all these people recollection pills, and they seem to just fade away until the heat is off.

Now, is there obstruction of justice in this case? You bet there is. How high does that go in the administration? We are not sure at this point, but it goes very high. It goes very high because this kind of a conspiracy to raise millions of dollars of money illegally in violation of every single law of the United States that relates to campaign finance, they say, "Oh, well, everybody does it." That is a lie. And we do not need to take the oath to make that statement. That is a lie.

Most Members in this House, most Members in the Senate of the United States, they conform to the laws of the land when it comes to campaign finance because they know if they violate those laws, it is an issue for their opponent, and most people will want to do the right thing.

But the White House line is, "Oh, everybody does it. We should pass some laws to do something about it." We have got the laws. We do not need to pass new laws that say aliens cannot give money in American political campaigns. We do not need to pass new laws that say, hey, we cannot use the telephone in a Federal office to make political calls for money raising, we have got to go somewhere else; like use your home, use your credit card at home, et cetera.

Now that little spin, which the White House publicists, which must take up half the White House now to explain away all these things, but I want to congratulate the American press. The major exposés so far, the House has not begun its hearings, the Senate has, it is doing a good job, the major exposés have been delivered by the print media in this country, the Washington Post, the Los Angeles Times, the New York Times, the Wall Street Journal, the Washington Times. When the Pulitzers are handed out this year, if they do not go to a number of those papers, then I do not have much confidence in the judges that run the Pulitzer Prize.

The L.A. Times months ago put together an investigative team of people that did know what they were talking about when it came to campaign finance money. They were experts on going through the Federal Election Commission's records, and they have written a number of stories that are worth reading and will be sort of the example of fine journalism in every journalism classroom in America.

So what we need, of course, in this case that we do not have and that we did have when President Nixon's administration was under examination, what we had was a tough Federal district judge, known as Judge Sirica; and he threatened to put the whole bunch of, quote, plumbers that had gone into the Democratic National Committee, put them in jail, prison. Well, that softened up a few, and people started talking. And when John Dean was fearful, the White House counsel at that time, of going to prison, he talked.

Now, it would be wonderful if the recollection pill could be given to the series of White House counsels. No White House in this century has had a turnover of White House counsels like this White House. It is just one a year. Now are they just overworked? Are they worn out? Or maybe they do not like what they see and they are tired of defending it.

There are some very distinguished people that have been in that job. But they ought to start cooperating with Congress and obeying the oath one takes in the courtroom and the oath one takes before investigating committees of the House so we can get at the truth of the matter.

Now, we tried that on Travelgate, and we found it all out. We tried it on Filegate, and we still do not have answers to some things. Why? Because some of their friends up here said, "Hey, you do not have to answer them." We started on that when we were in the minority. They said, "Yeah, you do not have to answer to them. Do not worry about it."

When we were in the majority, we could hold the hearings and get the truth, and we did. And the jury involved in accusing people that should never have been accused of misdeeds cleared them, but at a personal expense to their own human relations, with all their friends, their family, the tremendous tension you are under when you are falsely accused, as the people in the White House Travel Office were.

And they had one lucky break. They worked for the press of the United States. Those people that covered the White House knew these were good people. And when they were thrown out of their jobs, hauled off and flattened in a station wagon one day, and political appointees and relatives of the President were put in charge, the press knew something was rotten here. And when we became the majority, we could follow it up. Mr. Clinger, the then chairman of what was known as Government Operations, he was right. Nobody would listen to him, but he was right. And he was proved right, and the court proved him right.

So what we need is a few people that will not do their duties as citizens to start talking and not all of them, 36 of them, taking the fifth amendment. They have a right to take the fifth. Jimmy Hoffa took the fifth. There is a long line of distinguished people that have taken the fifth before congressional committees. But I think what we need are some tough Federal judges.

Now the question is, special counsel. A lot of us have written the Attorney General over the last few months to say, why do you not appoint a special counsel to look into this, to use the subpoena power, to bring people before a grand jury, to immunize some of them so they will talk and you can trace the conspiracy as far up the hierarchy as it ought to go, and it goes very high, and then bring the appropriate charges?

And, of course, the Attorney General, for whom I have very high respect, and I had met her 10 years before she became Attorney General, and when she came to this town and there was a dinner and the President would show up and she would show up, she would get more applause than anybody in the room because we had great respect for her integrity.

Now, most people have read a cartoon or two that shows the Attorney General sort of like see no evil, hear no evil, gee, I do not see any evidence out there. Now they are talking about, well, let us have a special counsel. Well, now the suspicion would be if we have a special counsel, maybe it is designed to shut us up on the House side as we are about to begin our investigation, because generally there is some cooperation between Congress and a special counsel, where we do not want the person to have revealed the situation under our particular procedures because we might want to immunize them to get them to do that, and

maybe the special counsel does not think that is a very good strategy. If we can get someone to talk in the room with a grand jury, we can get something done and get at the truth here.

So there is a lot of unanswered questions. When our investigation starts under the gentleman from Indiana [Mr. BURTON], the chairman, we will get some answers to those questions because we have already immunized a few more witnesses that the Senate had not immunized, and we will be working on this diligently, because this country needs reassurance that the campaign finance laws of the United States will be obeyed, and there will not be a conspiracy going to the highest level of the administration to raise millions of dollars specifically outside the laws of the United States, particularly in Presidential campaigns.

Now, a lot of people say, oh, well nobody cares about campaign finance reform. I have heard that for years. I have been interested in this subject for 3 decades, and I have tried to do something about it as an elected Member of Congress. I tried to do something about it when I was a professor of political science. And the fact is, people do care.

That is why Mr. Perot rose to prominence in 1992. He had the right issue. That was campaign finance and how campaigns are conducted in America. People can just simply try to buy the seat. I was faced with a person that spent $1.2 million to my $400,000. I am outraged that I have got to raise $400,000.

Fortunately, I have got a good group of volunteers and they raise it, but we should not have to go through that unlimited bet where several million dollars are thrown at you. One person who was a Republican spent $29 million to seek the Senate seat in the State of California. His opponent, also a millionaire, probably spent about $9 million of her and her husband's own money.

But we do not need to turn this Nation over to plutocracy. We need to put the lid on campaign finance. What is stopping us here is a decision of the Supreme Court of the United States, known as Buckley versus Valeo. I think that Court ought to rethink that decision.

When I came here as a freshman in 1993, I got a bipartisan group of Democrats and Republicans to sign on to a proposed constitutional amendment which would permit the Congress to overthrow that kind of decision because they claimed that when you limit money in campaigns, you are limiting free speech. That is utter nonsense. All due respect to the nine justices of the Supreme Court, but that was a decision made over 20 years ago.

Let us pass the McCain-Shays-Meehan-Feingold bill, which started debate today in the Senate and, hopefully, will come over here next week. Let us pass a bill that gets at disclosure, deals with the soft-money scandals, and we have had them in both parties where political committees in the State get a lot of money from big donors like Charles Keating. You will remember him from the savings and loan debacle. Well, Mr. Keating gave $800,000 to the Democratic Party at the request of Senator Scranton, who was a very distinguished senator in California and has served the people as hard as he could. He made one major mistake in that area, and that was getting the money for the Democratic Party in California, legal though it was, and put his son in charge of it. I would say that is a little bit of a conflict of interest.

But that kind of money gets access for a lot of people. We have got to stop that, and we have got to close that. That is why Mr. Perot got a lot of attention in 1992 and why politicians take their polls instead of doing the right thing, which you do not need a poll to do, and they say, well, gee, people do not seem to care that much about campaign finance.

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I think our hearings, if the networks ever broadcast them, my colleagues will notice there is sort of a black out in America's television. They do not care too much about their public interest responsibility, except for Mr. Brokaw, who has done some very good stories on money and politics, and I would like to see the other networks match NBC. They should try.

And then we see people on weekly talk shows that say, oh well, they all do it. Well, that got my wife so irritated that she wrote a long letter to one of them last week, and she had never written a politician or a journalist in her life, and that is because she was outraged by that comment. That is the White House line, oh, they all do it and we have got to reform it. Hey, help us reform it. Years ago when we tried, and yet this Chamber, the Committee on Rules when it was under the control of the Democrats refused to give us a vote on the compromise bill put together by 5 Democrats and 5 Republicans, 10 in all.

The gentleman from Nebraska [Mr. BEILENSON] and myself, neither one of us take political action committee money. We are from California. The gentleman from Louisiana [Mr. LIVINGSTON], now chairman of the Committee on Appropriations, was the head of this. Mr. Synar, the very respected subcommittee chairman on Commerce, Democrat from Oklahoma. We put together a bill that would have passed, but they knew they could beat the Republican bill, which said let us get rid of political action committee money.

And I regret to say some of my colleagues in my party seem to love some PACs because they found out why the Democrats have stayed here for 40 years; they just pick up the PAC money every quarter by $5,000 a clip from a particular—during their election cycle from some of these committees.

Now they say, oh, we are not trying to influence the Congressmen, we just sort of want access. Now I have never known anybody that gives away $5,000 bucks or $100,000 that is just talking about access. They want their vote, and those of us that do not take PAC money, every night when we walk out of here at weird hours after signing the constituent mail, we all feel happy that we do not take PAC money. It is legal, we can do it, but a lot of people would love to get rid of PACs. I do not think we have the votes to do it this year, but an overwhelming number in this body want to get rid of soft money.

And what we need to do is let us put everybody to the test, and if the McCain-Feingold bill, MCCAIN being a Republican Senator from Arizona, FEINGOLD being the Democratic Senator from Wisconsin, if that bill will pass the Senate, and majority leader LOTT has scheduled that for today, Monday and Tuesday, and can come over to the House, we can have an up-or-down vote on that measure, and if we are permitted to amend it, we got a lot of other good ideas, too.

The gentleman from North Carolina [Mr. PRICE] Democrat, myself, Republican from California, have a bill called stand by your ad. That is to get at one of the uglier aspects of American politics, which is the negative campaign that is dumped on a lot of candidates in both parties by some in the other party, and that is saying usually twisted information, most of which is not true. I have had that happen to me. I had somebody dump $200,000 worth of mail in the last 3 days of my campaign last year.

Some of my colleagues have had million dollar campaigns against them that have run for 6 months, and there is no disclosure. And we are determined that everybody that gets into American politics and is going to have ads and try to do someone in, let us get disclosure. Who pays your bills? How much did they give? We have to do that when we receive campaign money up to $1,000 in the primary and $1,000 in the general. The people have a right to know.

Well, with Mr. PRICE's bill that I am a cosponsor with him, and the idea came from the North Carolina legislature, on negative campaigns a candidate would have to spend 10 percent of that mailer or that TV ad with their mug looking at the voter and saying, "I am so-and-so, this is the film or videotape that I am going to tell you my opponent's record." Now if they had to say that, I do not use negative active campaigns, so I do not worry about it, but if they had to say it, maybe they

would clean up their act that political consultants talk them into.

Now the American people say, "Oh, I hate negative campaigns," but the consultant goes around in both parties and says, "Oh, but you have to do it if you want to be elected." You do not have to do it. You need to educate your constituency that you want civil discourse, not this false charge. Like every Democrat I know seems to run against a Republican and say we cut Social Security. That is nonsense; we never cut Social Security. The Vice President one day got on Meet The Press, some very distinguished commentators were on it, and they did not call him on it. Well, I knew the minute he said it he was dead wrong, and the question was, was he lying or what? He said no Republican voted for Social Security in the 1930's. It is nonsense. House voted 75 percent, Republicans voted for social security; another one, 80 percent.

So I sent a letter to the hundred top journalists in town, that if the Vice President ever says that again, here are the facts, and they come from the Congressional Research Service, our bipartisan research arm.

So there are things we need to clean up without question, negative campaigns, soft money, disclosure. We also need to clean up who is an American citizen eligible to vote and who is not. And we have a bill in on that which is, if the registrar wants to check their rolls, they could have access to the Social Security information. Since 1982 Social Security has kept the citizenship status of individuals. And if they cannot get the proof there, they can access the Immigration and Naturalization Service roles and they can find out if the person has been legally naturalized. Obviously there are other ways to prove citizenship, affidavits from people who have known you in the community for 30 years, knew when you were born, family bible, all that. But we need help in this situation where some of the laws have been passed so they cannot purge people from the election rolls when they do not vote in four elections.

And that leads to real mischief when they do not clean up those rolls. If you are not going to be a citizen, a good citizen and go to the polls for four elections; in California it used to be if you just did it for 2, you would have to reregister, and that means you ought to be going doing your duty and the civic responsibility as an American citizen.

So there are a lot of proposals a lot of good people have dealing with television time to be made available so people can see the debate.

Now the television stations get very upset; that is tough. The fact is they are using the air waves licensed by the Federal Government and they can certainly contribute some time, as the chairman of our Committee on Commerce has advocated this for years. The gentleman from Virginia [Mr. BLILEY] put a bill in in 1993, and he still believes in it, and perhaps that discussion will come to the floor.

So we need to do some things just in general in campaign finance, and that is the things that are changing existing laws. But with these investigations what we are dealing with are violations of existing laws, not changes. We are dealing with the fact that the laws of the United States have been shredded in the 1996 campaign and the attitude was something of the Wild West, and since I am a westerner I recall that. What did we do west of the Pecos? There was no law. Maybe one tough judge here and their, and that is what we need in this case, and we need to get the evidence out and we need to get a few of these people to start talking, and when we do that American politics will be better off and American government will be better off.

OMITTED FROM THE CONGRESSIONAL RECORD OF WEDNESDAY, SEPTEMBER 17, 1997

ENROLLED BILLS SIGNED

Mr. THOMAS, from the Committee on House oversight, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 63. To designate the reservoir created by Trinity Dam in the Central Valley project, California, as "Trinity Lake"; and

H.R. 2016. Making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1998, and for other purposes.

CORRECTION OF THE CONGRESSIONAL RECORD OF THURSDAY, SEPTEMBER 25, 1997

Correction of the CONGRESSIONAL RECORD of Thursday, September 25, 1997: On page H7893, the corrected version of the Rogers amendment is as follows:

AMENDMENT OFFERED BY MR. ROGERS

Mr. ROGERS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. ROGERS:

Page 51, line 5, after the dollar amount insert "(increased by $1,500,000)".

Page 51, line 11, after the second dollar amount insert "(increased by $1,500,000)".

Page 51, line 14, after the dollar amount insert "(increased by $1,500,000)".

Page 51, line 16, after the dollar amount insert "(increased by $4,000,000)".

Page 51, line 23, after the dollar amount insert "(reduced by $2,500,000)".

At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . None of the funds made available in this Act may be used to issue or renew a fishing permit or authorization for any fishing vessel of the United States greater than 165 feet in length or greater than 3,000 horsepower, as specified in the permit application required under part 648.4(a)(5) of title 50, Code of Federal Regulations, and the authorization required under part 648.8(d)(2) of title 50, Code of Federal Regulations, to engage in fishing for Atlantic mackerel or herring (or both) under the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.).

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. REYES (at the request of Mr. GEPHARDT), for today, on account of official business.

Mr. HASTINGS of Florida (at the request of Mr. GEPHARDT), for September 23 and the balance of the week, on account of official business.

Ms. HARMAN (at the request of Mr. GEPHARDT), for today, on account of official business.

Mr. BARTON of Texas (at the request of Mr. GEPHARDT), for today, on account of official business.

Ms. JACKSON-LEE of Texas (at the request of Mr. GEPHARDT), for today after 11 a.m. And September 29, on account of official business.

Mr. DICKS (at the request of Mr. GEPHARDT), for today, on account of official business.

Mr. LAZIO of New York (at the request of Mr. ARMEY), for today, on account of illness in the family.

Mr. QUINN (at the request of Mr. ARMEY), for today, on account of being the keynote speaker at Leadership Buffalo Class.

Mr. BUYER (at the request of Mr. ARMEY), for today, on account of family reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DOGGETT) to revise and extend their remarks and include extraneous material:)

Mr. ADAM SMITH of Washington, for 5 minutes, today.

Mr. DOGGETT, for 5 minutes, today.

Mr. MILLER of California, for 5 minutes, today.

Mr. SNYDER, for 5 minutes, today.

(The following Member (at the request of Mr. MILLER of Florida) to revise and extend his remarks and include extraneous material:)

Mr. PAUL, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. ADAM SMITH of Washington, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. CUNNINGHAM, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. SNYDER, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. PALLONE, for 5 minutes, today.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Ms. WATERS, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. GILMAN, for 5 minutes, today.

(The following Members (at their own request) to revise and extend their remarks and include extraneous material:)

Mr. TIERNEY, for 5 minutes, today.

Mr. MEEHAN, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Member (at the request of Mr. MILLER of Florida) and to include extraneous matter:)

Mr. WATTS of Oklahoma.

(The following Members (at the request of Mr. HORN) and to include extraneous matter:)

Mr. ROTHMAN.
Mr. PRICE of North Carolina.
Mr. MATSUI.
Mr. GILMAN.
Mr. HALL of Texas.
Mr. SANDLIN in two instances.
Mr. SHERMAN.
Mr. KIND.
Mr. BARTLETT of Maryland.
Mr. WAMP.
Mr. SOUDER.
Mr. VISCLOSKY.
Mr. RADANOVICH.
Mr. FOX of Pennsylvania.
Mr. LANTOS.
Ms. EDDIE BERNICE JOHNSON of Texas.
Ms. FURSE.
Mr. PALLONE.
Mr. LIPINSKI.
Mr. ROGAN.

SENATE BILL AND CONCURRENT RESOLUTION REFERRED

A bill and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1211. An act to provide permanent authority for the administration of au pair programs; to the Committee on International Relations.

S. Con. Res. 11. Concurrent resolution recognizing the 25th anniversary of the establishment of the first nutrition program for the elderly under the Older Americans Act of 1965; to the Committee on Education and the workforce.

ENROLLED BILL SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 2266. An act making appropriations for the Department of Defense for the fiscal year ending September 30, 1998, and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H.R. 2266. An act making appropriations for the Department of Defense for the fiscal year ending September 30, 1998, and for other purposes.

ADJOURNMENT

Mr. HORN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 25 minutes p.m.), under its previous order, the House adjourned until Monday, September 29, 1997, at 10:30 a.m., for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

5175. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Dried Prunes Produced in California; Increased Assessment Rate [Docket No. FV97-993-1 FIR] received September 24, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5176. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, transmitting the Service's final rule—Importation of Cut Flowers [Docket No. 95-082-2] received September 25, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5177. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, transmitting the Service's final rule—Importation of Fruits and Vegetables [Docket No. 96-046-3] received September 25, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5178. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, transmitting the Service's final rule—Foreign Potatoes [Docket No. 97-010-2] received September 25, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5179. A letter from the Chairman and Chief Executive Officer, Farm Credit Administration, transmitting the Administration's final rule—Loan Policies and Operations; Definitions; Loan Underwriting (RIN: 3052-AB64) received September 25, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5180. A letter from the Chief, Natural Resources Conservation Service, transmitting the Service's final rule—Wildlife Habitat Incentives Program (RIN: 0578-AA21) received September 26, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5181. A letter from the Administrator, Rural Utilities Service, transmitting the Service's final rule—Settlement of Debt Owed by Electric Borrowers (RIN: 0572-AB26) received September 24, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5182. A letter from the Administrator, Rural Utilities Service, transmitting the Service's final rule—Rural Telephone Bank and Telecommunications Program Loan Policies, Types of Loans, Loan Requirements (RIN: 0572-AB32) received September 16, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5183. A letter from the Secretary of Defense, transmitting the Department's Report on Improvements to the Joint Manpower Process, pursuant to Public Law 104—201, section 509(a) (110 Stat. 2513); to the Committee on National Security.

5184. A letter from the Managing Director, Federal Housing Finance Board, transmitting the Board's final rule—Revision of Financing Corporation Operations Regulation [No. 97-57] (RIN: 3069-AA57) received September 24, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

5185. A letter from the Secretary of Health and Human Services, transmitting the Department's second annual report to Congress summarizing evaluation activities related to the Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances program, pursuant to 42 U.S.C. 300X—4(g); to the Committee on Commerce.

5186. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Schedule of Fees Authorized by 49 U.S.C. 30141; Fee for Review and Processing of Conformity Certificates for Nonconforming Vehicles (National Highway Traffic Safety Administration) [Docket No. 97-046; Notice 2] (RIN: 2127-AG73) received September 25, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5187. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—National Emission Standards for Hazardous Air Pollutants for Source Categories; National Emission Standards for Hazardous Air Pollutants for Primary Aluminum Reduction Plants [IL-64-2-5807; FRL-5898-5] (RIN: 2060-AE76) received September 25, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5188. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a copy of Transmittal No. 14-97 for U.S. involvement with Australia in a Project on

MSX Satellite Trials, pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

5189. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled "District's Purchase of Presidential Inaugural Tickets," pursuant to D.C. Code section 47–117(d); to the Committee on Government Reform and Oversight.

5190. A letter from the Chairman, Merit Systems Protection Board, transmitting the report on cases completed by the U.S. Merit Systems Protection Board in FY 1996, pursuant to 5 U.S.C. 1204(a)(3); to the Committee on Government Reform and Oversight.

5191. A letter from the the Chief Administrative Officer, the U.S. House of Representatives, transmitting the quarterly report of receipts and expenditures of appropriations and other funds for the period January 1, 1997, through March 31, 1997 as compiled by the Chief Administrative Officer, pursuant to 2 U.S.C. 104a; (H. Doc. No. 105–136); to the Committee on House Oversight and ordered to be printed.

5192. A letter from the Deputy Assistant Administrator for Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Magnuson Act Provisions; Appointment of Regional Fishery Management Council Members [I.D. 032797B] (RIN: 0648–AJ95) received September 24, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5193. A letter from the Acting Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Pollock in Statistical Area 620 of the Gulf of Alaska [Docket No. 961126334–7025–02; I.D. 091997A] received September 25, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5194. A letter from the Director, Federal Bureau of Prisons, transmitting the Bureau's final rule—Literacy Program [BOP–1036–I] (RIN: 1120–AA33) received September 25, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

5195. A letter from the Director, Federal Bureau of Prisons, transmitting the Bureau's final rule—Inmate Discipline and Good Conduct Time [BOP–1040–F] (RIN: 1120–AA34) received September 25, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

5196. A letter from the Director, Federal Bureau of Prisons, transmitting the Bureau's final rule—Good Conduct Time [BOP–1032–I] (RIN: 1120–AA62) received September 25, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

5197. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Regulated Navigation Area: Miami, FL (Coast Guard) [CGD07–97–019] (RIN: 2115–AE84) received September 25, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5198. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations; Manchester Harbor, MA (Coast Guard) [CGD01–97–022] (RIN: 2115–AE47) received September 25, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5199. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations; Head of the Licking Regatta Licking River Mile 0.0–3.5, Newport, Kentucky (Coast Guard) [CGD08–97–039] (RIN: 2115–AE46) received September 25, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5200. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations; 1997 Galveston Offshore Powerboat Festival, Galveston, TX (Coast Guard) [CGD8–97–038] (RIN: 2115–AE46) received September 25, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5201. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone Regulation; Commencement Bay Maritime Festival Tugboat Races, Commencement Bay, Tacoma, WA [CGD13–97–027] (RIN: 2115–AA97) received September 25, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5202. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Technical Amendments; Organizational Changes; Miscellaneous Editorial Changes and Conforming Amendments (Coast Guard) [CGD 97–057] (RIN: 215–ZZ02) received September 25, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5203. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Harmonization with International Safety Standards (Coast Guard) [CGD 95–028] (RIN: 2115–AF10) received September 25, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5204. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Small Passenger Vessel Inspection and Certification (Coast Guard) [CGD 85–080] (RIN: 2115–AC22) received September 25, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5205. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Regulated Navigation Area; Egmont Channel, Tampa Bay, FL (Coast Guard) [COTP Tampa 97–046] (RIN: 2115–AE84) received September 25, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5206. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Motor Carrier Transportation; Technical Amendments (Federal Highway Administration) (RIN: 2125–AE23) received September 25, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5207. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—Provision of Health Care to Vietnam Veterans' Children with Spina Bifida (RIN: 2900–AI65) received September 25, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

5208. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—Monetary Allowance Under 38 U.S.C. 1805 for a Child Suffering from Spina Bifida Who is a Child of a Vietnam Veteran (RIN: 2900–AI70) received September 25, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

5209. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—Provision of Vocational Training and Rehabilitation to Vietnam Veterans' Children with Spina Bifida (RIN: 2900–AI72) received September 25, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

5210. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Last-in, First-out Inventories [Revenue Ruling 97–42] received September 25, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5211. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Available Unit Rule [TD 8732] (RIN: 1545–AT60) received September 25, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5212. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Requirements incident to adoption and use of LIFO inventory method [Rev. Proc. 97–44] received September 25, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5213. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Section 42(d)(5) Federal Grants [TD 8731] (RIN: 1545–AU92) received September 25, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5214. A letter from the Chief, Regulations Branch, U.S. Customs Service, transmitting the Service's final rule—Import Restrictions Imposed on Archaeological Artifacts from Mali [T.D. 97–80] (RIN: 1515–AC22) received September 22, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McDADE: Committee of Conference. Conference report on H.R. 2203. A bill making appropriations for energy and water development for the fiscal year ending September 30, 1998, and for other purposes (Rept. 105–271). Ordered to be printed.

Mr. ARCHER: Committee on Ways and Means. H.R. 2487. A bill to improve the effectiveness and efficiency of the child support enforcement program and thereby increase the financial stability of single parent families including those attempting to leave welfare; with an amendment (Rept. 105–272). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLILEY: Committee on Commerce. H.R. 2165. A bill to extend the deadline under the Federal Power Act applicable to the construction of FERC Project Number 3862 in the State of Iowa, and for other purposes (Rept. 105–273). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLILEY: Committee on Commerce. H.R. 1262. A bill to authorize appropriations for the Securities and Exchange Commission for fiscal years 1998 and 1999, and for other purposes (Rept. 105–274). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLILEY: Committee on Commerce. H.R. 2472. A bill to extend certain programs under the Energy Policy and Conservation Act (Rept. 105–275). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. ANDREWS:

H.R. 2562. A bill to promote accuracy in the determination of amounts of private pension plan benefits and contributions; to the Committee on Education and the Workforce.

By Ms. DUNN of Washington (for herself, Mr. TANNER, Mr. WATKINS, Mr. MATSUI, Mr. WELLER, Mr. KLECZKA, Mr. SAM JOHNSON, Mr. ENGLISH of Pennsylvania, Mr. HOUGHTON, Mr. RAMSTAD, Mr. BARCIA of Michigan, Mr. STENHOLM, Ms. DANNER, Mr. NEAL of Massachusetts, Mr. MCINTYRE, Mr. HERGER, and Mr. ENSIGN):

H.R. 2563. A bill to amend the Internal Revenue Code of 1986 to restrict the authority to examine books and witnesses for purposes of tax administration; to the Committee on Ways and Means.

By Mr. HOLDEN (for himself, Mr. BORSKI, Mr. COYNE, Mr. DOYLE, Mr. ENGLISH of Pennsylvania, Mr. FATTAH, Mr. FOGLIETTA, Mr. FOX of Pennsylvania, Mr. GEKAS, Mr. GOODLING, Mr. GREENWOOD, Mr. KANJORSKI, Mr. KLINK, Mr. MCDADE, Mr. MCHALE, Mr. MASCARA, Mr. MURTHA, Mr. PETERSON of Pennsylvania, Mr. PITTS, Mr. SHUSTER, and Mr. WELDON of Pennsylvania):

H.R. 2564. A bill to designate the United States Post Office located at 450 North Centre Street in Pottsville, Pennsylvania, as the "Peter J. McCloskey Postal Facility"; to the Committee on Government Reform and Oversight.

By Mr. JONES (for himself, Mrs. CLAYTON, Mr. HOYER, Mr. GILCHREST, Mr. PRICE of North Carolina, Mr. ETHERIDGE, Mr. BURR of North Carolina, Mr. COBLE, Mr. BALLENGER, Mr. HEFNER, Mr. MCINTYRE, Mr. TAYLOR of North Carolina, and Mr. WATT of North Carolina):

H.R. 2565. A bill to require the establishment of a research and grant program for the eradication or control of Pfiesteria piscicida and other aquatic toxins; to the Committee on Science, and in addition to the Committees on Transportation and Infrastructure, Resources, Commerce, and Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. MORELLA:

H.R. 2566. A bill to amend title 5, United States Code, to expand the class of individuals under the Civil Service Retirement System eligible to elect the option under which the deposit which is normally required in connection with a refund previously taken may instead be made up through an actuarially equivalent annuity reduction; to the Committee on Government Reform and Oversight.

By Mr. SAXTON (for himself, Mr. SCARBOROUGH, and Mr. CUNNINGHAM):

H.R. 2567. A bill to ensure the equitable treatment of graduates of the Uniformed Services University of the Health Sciences of the Class of 1987; to the Committee on National Security.

By Mr. SHIMKUS (for himself, Ms. MCCARTHY of Missouri, Mr. GUTKNECHT, Mr. EVANS, Mr. HASTERT, Mr. KLUG, Mrs. EMERSON, Mr. HULSHOF, Mr. WELLER, Ms. DANNER, Mr. SKELTON, Mr. GILCHREST, Mr. BEREUTER, Mr. LATHAM, Mr. NUSSLE, Mr. THOMPSON, Mr. EWING, Mr. LEACH, Mr. GANSKE, Mr. BOSWELL, Mr. COSTELLO, Mr. THUNE, Mr. LAHOOD, and Mr. STRICKLAND):

H.R. 2568. A bill to amend the Energy Policy Act of 1992 to take into account newly developed renewable energy-based fuels and to equalize alternative fuel vehicle acquisition incentives to increase the flexibility of controlled fleet owners and operators, and for other purposes; to the Committee on Commerce.

By Mr. LIVINGSTON:

H.J. Res. 94. Joint resolution making continuing appropriations for the fiscal year 1998, and for other purposes; to the Committee on Appropriations.

By Mr. BALDACCI:

H. Con. Res. 160. Concurrent resolution directing the Clerk of the House of Representatives and the Secretary of the Senate to compile and make available to the public the names of candidates for election to the House of Representatives and the Senate who agree to conduct campaigns in accordance with a Code of Election Ethics; to the Committee on House Oversight.

By Mr. LANTOS (for himself, Mr. GILMAN, Mr. SMITH of New Jersey, Mr. ACKERMAN, Mr. BERMAN, Mr. CARDIN, Mr. DEUTSCH, Mr. FRANK of Massachusetts, Mr. FROST, Mr. GEJDENSON, Mr. LEVIN, Mr. ROTHMAN, Mr. SCHUMER, Mr. SHERMAN, and Mr. WEXLER):

H. Res. 246. Resolution expressing the sense of the House denouncing and rejecting a resolution adopted by Foreign Ministers of the Arab League urging the easing of United Nations sanctions against Libya which were imposed because of Libya's refusal to surrender individuals on its territory who are wanted in connection with the 1988 terrorist bombing of Pan Am Flight 103; to the Committee on International Relations.

By Mr. BLUMENAUER (for himself, Mr. DELLUMS, Mr. WEYGAND, Mr. MCDERMOTT, Mrs. MCCARTHY of New York, Mr. FARR of California, Mr. ALLEN, Mr. ENSIGN, Mr. WEXLER, Mr. LAFALCE, Ms. SLAUGHTER, Mr. FORBES, and Mr. SALMON):

H. Res. 247. Resolution amending the Rules of the House of Representatives to prohibit smoking in rooms and corridors leading to the House floor and in the Rayburn room; to the Committee on Rules.

By Mr. PALLONE (for himself, Mr. BROWN of Ohio, Mr. GILMAN, Mr. BEREUTER, Mr. MCDERMOTT, Mr. FOX of Pennsylvania, Mr. HASTINGS of Florida, Mr. HORN, Mr. ANDREWS, Mr. ENGEL, Mr. LEWIS of Georgia, Ms. JACKSON-LEE, Mrs. MALONEY of New York, Mrs. CLAYTON, Mr. BORSKI, Mr. FILNER, and Mr. SHERMAN):

H. Res. 248. Resolution expressing the sense of the House of Representatives that India should be a permanent member of the United Nations Security Council; to the Committee on International Relations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. BLILEY introduced a bill (H.R. 2569) for the relief of Maria Dos Anjos Pires Soares; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 51: Mr. SCARBOROUGH, Mr. BARR of Georgia, and Mr. BISHOP.

H.R. 306: Mr. WEXLER.

H.R. 598: Mr. ANDREWS and Mr. HEFLEY.

H.R. 631: Mr. MCINTYRE.

H.R. 777: Mr. LUTHER and Mr. MCDERMOTT.

H.R. 900: Mr. BARCIA of Michigan and Mr. RANGEL.

H.R. 910: Mrs. MALONEY of New York.

H.R. 953: Mr. CALVERT and Mr. LEWIS of Georgia.

H.R. 955: Mr. QUINN.

H.R. 979: Mr. FRANK of Massachusetts, Mr. MCKEON, Mr. ADAM SMITH of Washington, Mr. CALVERT, Mr. MCDERMOTT, Mr. THOMPSON, Mr. BEREUTER, and Mr. LEWIS of California.

H.R. 983: Mr. TOWNS and Ms. WATERS.

H.R. 991: Mr. STRICKLAND.

H.R. 1025: Mr. MILLER of California.

H.R. 1060: Mr. RILEY.

H.R. 1063: Mr. BLILEY.

H.R. 1114: Mr. MATSUI, Mr. KLECZKA, Mr. BORSKI, Mr. CLAY, Mr. SCHIFF, Mr. CUNNINGHAM, and Mr. MURTHA.

H.R. 1126: Mr. SHAYS.

H.R. 1202: Mr. SCHIFF, Mr. FOX of Pennsylvania, Mr. TIERNEY, and Mr. ANDREWS.

H.R. 1232: Mr. RUSH and Mr. QUINN.

H.R. 1283: Mr. KASICH and Mr. BONO.

H.R. 1285: Mr. NETHERCUTT and Mr. NEY.

H.R. 1373: Mrs. MALONEY of New York.

H.R. 1411: Ms. MCCARTHY of Missouri and Mr. PRICE of North Carolina.

H.R. 1521: Mr. WALSH and Mr. HASTINGS of Washington.

H.R. 1534: Mr. HOUGHTON, Mr. SANFORD, and Mr. GORDON.

H.R. 1679: Mr. KANJORSKI.

H.R. 1689: Mr. MCKEON, Mrs. CUBIN, and Mr. SCHIFF.

H.R. 1788: Mr. THOMPSON.

H.R. 1839: Ms. DELAURO, Mr. OBERSTAR, Mr. KENNEDY of Rhode Island, Mr. FORD, Mr. BUNNING of Kentucky, and Mr. WELLER.

H.R. 1846: Mr. BURTON of Indiana.

H.R. 1872: Mr. ADAM SMITH of Washington.

H.R. 1909: Mr. MCCOLLUM, Mr. SHAW, Mr. BILIRAKIS, Mr. DREIER, Mr. MCKEON, Mr. RADANOVICH, Mr. SALMON, Mr. STUMP, Mr. JONES, Mr. SMITH of New Jersey, Mr. LARGENT, Mr. BURTON of Indiana, Mr. HASTERT, Mr. HOEKSTRA, Mr. BAKER, Mr. COOKSEY, Mr. MANZULLO, Mr. BOB SCHAFFER, and Ms. DUNN of Washington.

H.R. 1967: Mr. BRYANT.

H.R. 1984: Mrs. CUBIN, Mr. DAN SCHAEFER of Colorado, Mr. TAYLOR of Mississippi, Mr. MCDADE, Mr. ROHRABACHER, and Mr. GORDON.

H.R. 1995: Mr. VENTO, Mr. MARTINEZ, Mr. DUNCAN, and Mr. DAVIS of Virginia.

H.R. 2004: Mr. KUCINICH and Mr. TIERNEY.

H.R. 2021: Mr. PAPPAS.

H.R. 2053: Mr. FILNER.

H.R. 2183: Mr. RIGGS.

H.R. 2202: Mr. BASS, Mr. DEUTSCH, Mr. SABO, Mr. WATT of North Carolina, Mr. LOBIONDO, Mr. CONYERS, and Mr. BARCIA of Michigan.

H.R. 2211: Mr. OWENS.

H.R. 2281: Mr. BONO.

H.R. 2327: Mr. CALVERT, Mr. CUNNINGHAM, Mr. EWING, Mr. CASTLE, Mr. ADAM SMITH of

Washington, Mr. LATHAM, Mr. NORWOOD, Mr. FORD, and Mr. GOODE.

H.R. 2357: Mr. CALVERT and Mr. PETERSON of Pennsylvania.

H.R. 2358: Ms. PELOSI.

H.R. 2373: Mr. KING of New York, Mr. CALLAHAN, Mr. BACHUS, Mrs. MYRICK, Mr. SPENCE, Mr. WATTS of Oklahoma, Mrs. CHENOWETH, Mr. HOSTETTLER, Mrs. NORTHUP, Mr. FRANKS of New Jersey, Mrs. LINDA SMITH of Washington, Mr. SMITH of New Jersey, Mr. FOX of Pennsylvania, Mr. CAMP, and Mr. SHADEGG.

H.R. 2377: Mr. STUMP, Mrs. CHENOWETH, Mr. BOUCHER, Mr. THOMAS, Mr. GRAHAM, Mr. LAHOOD, Mrs. LINDA SMITH of Washington, Mr. CANADY of Florida, Mr. BALLENGER, Mr. LATHAM, Mr. MCHUGH, Mrs. KENNELLY of Connecticut, Mr. EHRLICH, Mr. FOLEY, and Mr. CANNON.

H.R. 2397: Mr. ENGLISH of Pennsylvania, Mr. OXLEY, Mr. RANGEL, Mr. BOUCHER, Ms. WOOLSEY, and Ms. LOFGREN.

H.R. 2438: Mr. CRAPO, Ms. DUNN of Washington, Mr. CAMPBELL, Mr. MCINTOSH, Mr. RILEY, Mr. HYDE, and Mr. COOKSEY.

H.R. 2462: Mr. ARMEY, Mr. DELAY, Mr. CONDIT, and Mr. INGLIS of South Carolina.

H.R. 2483: Mr. HEFLEY, Mr. TAUZIN, Mr. WAMP, Mr. EHRLICH, Mr. BRYANT, Ms. GRANGER, Mr. HALL of Texas, Mr. WELDON of Pennsylvania, Mr. GILCHREST, Mr. POMBO, Mr. CUNNINGHAM, Mr. MANZULLO, Mr. BRADY, Ms. PRYCE of Ohio, Mr. TIAHRT, Mr. DUNCAN, and Mr. DAN SCHAEFER of Colorado.

H.R. 2503: Mr. FROST, Mr. WEXLER, Mr. EVANS, and Mr. FOLEY.

H.R. 2527: Mr. MCNULTY and Mr. JEFFERSON.

H. Con. Res. 27: Mr. DEFAZIO and Mr. DIAZ-BALART.

H. Res. 224: Mr. BONO, Mr. RODRIGUEZ, Mr. GILMAN, and Mr. PICKERING.

H. Res. 235: Mr. BAKER, Mr. FARR of California, Mr. MCINTYRE, Mr. SCHIFF, Mr. KENNEDY of Rhode Island, Mr. PEASE, Mr. TIERNEY, Mr. MCHUGH, Mr. SMITH of Michigan, Mr. THOMPSON, Mr. NADLER, Mr. BENTSEN, and Ms. STABENOW.

DISCHARGE PETITIONS—ADDITIONS OR DELETIONS

The following Members added their names to the following discharge petitions:

Petition 15 by Mr. BONILLA on House Resolution 466: Duncan Hunter, J. Dennis Hastert, Mel Hancock, and Jon Christenson.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 901

OFFERED BY: MR. MILLER OF CALIFORNIA

AMENDMENT NO. 28: On page 10 of the bill, after line 8, insert the following:

"(d) Subsection (b) shall not apply to Beaver Creek Biosphere Reserve."

H.R. 901

OFFERED BY: MR. MILLER OF CALIFORNIA

AMENDMENT NO. 29: On page 10 of the bill, after line 8, insert the following:

"(d) Subsection (b) shall not apply to Big Thicket Biosphere Reserve."

H.R. 901

OFFERED BY: MR. MILLER OF CALIFORNIA

AMENDMENT NO. 30: On page 10 of the bill, after line 8, insert the following:

"(d) Subsection (b) shall not apply to Carolinian-South Atlantic Biosphere Reserve."

H.R. 901

OFFERED BY: MR. MILLER OF CALIFORNIA

AMENDMENT NO. 31: On page 10 of the bill, after line 8, insert the following:

"(d) Subsection (b) shall not apply to Cascade Head Biosphere Reserve."

H.R. 901

OFFERED BY: MR. MILLER OF CALIFORNIA

AMENDMENT NO. 32: On page 10 of the bill, after line 8, insert the following:

"(d) Subsection (b) shall not apply to Central Gulf Coastal Plain Biosphere Reserve."

H.R. 901

OFFERED BY: MR. MILLER OF CALIFORNIA

AMENDMENT NO. 33: On page 10 of the bill, after line 8, insert the following:

"(d) Subsection (b) shall not apply to Central Plains Experimental Range Biosphere Reserve."

H.R. 901

OFFERED BY: MR. MILLER OF CALIFORNIA

AMENDMENT NO. 34: On page 10 of the bill, after line 8, insert the following:

"(d) Subsection (b) shall not apply to Coram Biosphere Reserve."

H.R. 901

OFFERED BY: MR. MILLER OF CALIFORNIA

AMENDMENT NO. 35: On page 10 of the bill, after line 8, insert the following:

"(d) Subsection (b) shall not apply to Desert Experimental Range Biosphere Reserve."

H.R. 901

OFFERED BY: MR. MILLER OF CALIFORNIA

AMENDMENT NO. 36: On page 10 of the bill, after line 8, insert the following:

"(d) Subsection (b) shall not apply to Fraser Experimental Forest Biosphere Reserve."

H.R. 901

OFFERED BY: MR. MILLER OF CALIFORNIA

AMENDMENT NO. 37: On page 10 of the bill, after line 8, insert the following:

"(d) Subsection (b) shall not apply to Guanica Commonwealth Forest Biosphere Reserve."

H.R. 901

OFFERED BY: MR. MILLER OF CALIFORNIA

AMENDMENT NO. 38: On page 10 of the bill, after line 8, insert the following:

"(d) Subsection (b) shall not apply to Hubbard Brook Biosphere Reserve."

H.R. 901

OFFERED BY: MR. MILLER OF CALIFORNIA

AMENDMENT NO. 39: On page 10 of the bill, after line 8, insert the following:

"(d) Subsection (b) shall not apply to Jornada Experimental Range Biosphere Reserve."

H.R. 901

OFFERED BY: MR. MILLER OF CALIFORNIA

AMENDMENT NO. 40: On page 10 of the bill, after line 8, insert the following:

"(d) Subsection (b) shall not apply to Konza Prairie Biosphere Reserve."

H.R. 901

OFFERED BY: MR. MILLER OF CALIFORNIA

AMENDMENT NO. 41: On page 10 of the bill, after line 8, insert the following:

"(d) Subsection (b) shall not apply to Land Between the Lakes Biosphere Reserve."

H.R. 901

OFFERED BY: MR. MILLER OF CALIFORNIA

AMENDMENT NO. 42: On page 10 of the bill, after line 8, insert the following:

"(d) Subsection (b) shall not apply to Luquillo Experimental Forest Biosphere Reserve."

H.R. 901

OFFERED BY: MR. MILLER OF CALIFORNIA

AMENDMENT NO. 43: On page 10 of the bill, after line 8, insert the following:

"(d) Subsection (b) shall not apply to Niwot Ridge Biosphere Reserve."

H.R. 901

OFFERED BY: MR. MILLER OF CALIFORNIA

AMENDMENT NO. 44: On page 10 of the bill, after line 8, insert the following:

"(d) Subsection (b) shall not apply to Olympic Biosphere Reserve."

H.R. 901

OFFERED BY: MR. MILLER OF CALIFORNIA

AMENDMENT NO. 45: On page 10 of the bill, after line 8, insert the following:

"(d) Subsection (b) shall not apply to Organ Pipe Cactus Biosphere Reserve."

H.R. 901

OFFERED BY: MR. MILLER OF CALIFORNIA

AMENDMENT NO. 46: On page 10 of the bill, after line 8, insert the following:

"(d) Subsection (b) shall not apply to San Dimas Biosphere Reserve."

H.R. 901

OFFERED BY: MR. MILLER OF CALIFORNIA

AMENDMENT NO. 47: On page 10 of the bill, after line 8, insert the following:

"(d) Subsection (b) shall not apply to San Joaquin Biosphere Reserve."

H.R. 901

OFFERED BY: MR. MILLER OF CALIFORNIA

AMENDMENT NO. 48: On page 10 of the bill, after line 8, insert the following:

"(d) Subsection (b) shall not apply to Southern Appalachian Biosphere Reserve."

H.R. 901

OFFERED BY: MR. MILLER OF CALIFORNIA

AMENDMENT NO. 49: On page 10 of the bill, after line 8, insert the following:

"(d) Subsection (b) shall not apply to Stanislaus-Tuolumne Biosphere Reserve."

H.R. 901

OFFERED BY: MR. MILLER OF CALIFORNIA

AMENDMENT NO. 50: On page 10 of the bill, after line 8, insert the following:

"(d) Subsection (b) shall not apply to Virginia Coast Biosphere Reserve."

SENATE—*Friday, September 26, 1997*

The Senate met at 9 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

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

Almighty God, Lord of law and order, we thank You for peace officers who serve in the sheriff and police forces in cities and counties across our land. They serve in harm's way, facing constant danger, so that we may live with security and safety. We thank You for the Capitol Police as well as the security officers and Secret Service who serve with excellence.

Today, we are shocked and grieved by the violent killing of Sheriff's Corporal Walter Hathcock and State Highway Patrol Trooper Lloyd Lowry of Cumberland County, NC. We ask You to comfort and strengthen the families of these men, particularly their children.

Dear God, curb the growth of violence and crime in our Nation. We turn to You for Your help.

Today, here in the Senate, we ask for Your presence and power. Fill this Chamber with Your grace and glory and the Senators with Your wisdom and understanding through our Lord and Saviour. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader is recognized.

SCHEDULE

Mr. ALLARD. Mr. President, this morning the Senate will be in a period of morning business until 10 a.m. with Senator DASCHLE or his designee in control of the time until 9:30 a.m. and Senator COVERDELL or his designee in control of the time from 9:30 a.m. to 10 a.m.

As earlier ordered, following morning business, the Senate will begin consideration of Senate bill 25 regarding campaign finance reform.

The majority leader announced last evening that there will be no rollcall votes during Friday's session of the Senate. In addition, it was announced there will be no rollcall votes during Monday's session of the Senate. Therefore, the next rollcall vote will be the cloture vote on the Coats amendment No. 1249 to the D.C. appropriations bill, occurring Tuesday, September 30, at 11 a.m.

Members can anticipate debate on campaign finance reform through today's and Monday's sessions of the Senate. I thank Members for their attention.

I suggest the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

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

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

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business.

Mr. THURMOND. I ask unanimous consent I be allowed to speak in morning business for up to 10 minutes.

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

Mr. THURMOND. Mr. President, I thank the Chair.

(The remarks of Mr. THURMOND pertaining to the introduction of Senate Resolution 128 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. Thank you, Mr. President.

ANTHONY JORDAN, NATIONAL COMMANDER OF THE AMERICAN LEGION

Ms. COLLINS. Mr. President, I rise today with a tremendous sense of pride and great pleasure to inform my colleagues that a citizen of the great State of Maine has been elected national commander of the American Legion.

As many in this Chamber are aware, the American Legion recently held its 79th national convention in Orlando, FL. At the conclusion of that convention, a Maine legionnaire, Anthony Jordan, of Augusta, was elected national commander.

To be selected by your peers to such a prestigious post is a significant accomplishment. For his home State, for his family, for his American Legion post in Wiscasset, ME, and for the thousands of Maine veterans it is a singular honor.

Mr. President, the American Legion chose wisely when it selected Mr. Jordan to lead this organization for the next year. Let me just tell you a bit about Mr. Jordan's background.

Tony Jordan served in the U.S. Army from 1963 to 1965. He joined the American Legion, our Nation's largest veterans organization, in 1971. Mr. Jordan demonstrated an unusual level of personal commitment and leadership in making his commitment to the work of the American Legion, both at the State and the national level.

For example, he served as post commander in Wiscasset and as vice commander of the American Legion Department of Maine. He also served as chairman of the Legion's national membership and post activities committee. He chaired the Foreign Relations Council and the National Security Commission.

In addition, Mr. Jordan also contributed to the Legion as a member of the National Legislative Commission and as liaison to the National Finance Commission.

Finance, foreign relations, national security—that is an impressive and diverse range of committee appointments that make him well qualified to head the American Legion. But the Legion also knew that, when it asked Tony Jordan to take charge, this was an important time for the American Legion and for America's veterans.

Tony Jordan has expressed strong personal sentiments in favor of the constitutional amendment to protect the American flag. Our flag is the symbol for everything for which our Nation stands. Mr. Jordan is standing with those who believe in the integrity of the flag and what it represents—freedom and justice, ideals for which our Nation's veterans risk and, in some cases, gave their lives.

Mr. Jordan is also outspoken in his support of a GI bill of health, the American Legion's response to the challenges being faced by the Department of Veterans Affairs and veterans across this country as they seek to fulfill the promise we made to ensure that our veterans have access to quality health care.

These are only a few examples, Mr. President, of what Mr. Jordan has done on behalf of his country and its largest veterans organization. I know my colleagues will agree that the American Legion chose wisely and well when it elected Anthony Jordan of Augusta, ME, as its national commander. I wish him well in the challenging year ahead.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The assistant legislative clerk proceeded to call.

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

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

CAMPAIGN FINANCE REFORM

Mr. SPECTER. Mr. President, I have sought recognition this morning to compliment our distinguished majority leader, Senator LOTT, for scheduling floor debate on campaign finance reform. I think that this is a very important matter to be debated by the U.S. Senate and, hopefully, to be voted on as to amendments and, ultimately, final passage.

I have long believed that campaign finance reform is indispensable in order to take out the tremendous amount of money that is present in Federal elections. For more than a decade, I have worked on the issue to have a constitutional amendment to overrule Buckley versus Valeo with Senator HOLLINGS under the Hollings-Specter amendment. I believe that there is a very important distinction between amending the first amendment and overruling a specific Supreme Court decision, many of which are split decisions.

There are many besides those on the Court who have an understanding of the Constitution. I think the Buckley decision was wrongly decided. When that decision was handed down, I happened to be in the middle of a contest for the U.S. Senate primary in Pennsylvania running against the then Congressman John Heinz. In the middle of that campaign, the Supreme Court ruled that an individual could spend as much of his or her money as he or she chose. My brother was limited to $1,000 under the law. He could have helped finance my campaign. With Buckley not being reversed, that has been a major impediment to dealing with these tremendous sums of money, plus the unlimited amount of independent expenditures. We have seen the ravages of soft money. We have seen millions of dollars contributed in Presidential elections, as in 1996, in the context where the candidates are pledged not to spend money beyond the Federal contribution. We have seen these ads which have been classified as "issue ads," which are blatant ads urging the election of one candidate and the defeat of another, on both sides of the aisle.

I have introduced campaign finance reform legislation myself which would deal with the issue of soft money, prohibiting it, and which would define an advocacy ad as one which shows the likeness or name of an individual urging his or her election or his or her defeat. With respect to the independent expenditures, they are touted as independent, but in fact they are not independent expenditures.

My legislation would require that someone who makes a so-called independent expenditure make an affidavit to that effect, with strict penalties for perjury on the affidavit form showing the individual making it what the consequences are. That would then be filed with the FEC, with the requirement that the candidate on whose behalf the expenditure was made, plus the campaign manager, make a tough affidavit, so that you do not have the feeling that there is really no enforcement or enforcement so much after the fact that it is irrelevant.

In order to deal with the problem of unlimited expenditures by individuals, my bill provides for a Federal provision analogous to the Maine "standby public financing provision," which provides that if candidate A spends $15 million of his or her own money, then candidate B will have that matched by the Government. I am against generalized Federal funding. However, I do believe that such a provision would be a deterrent so that there would not be the necessity, or at least a very limited amount of governmental money put in the campaigns if they knew there would be no advantage because the Government would match it for his or her opponent.

My bill further builds upon what we have seen in the Governmental Affairs hearing, to require that there be a limit and reporting on contributions to legal defense funds, which are a first cousin to campaign contributions. We saw in the testimony involving Charlie Trie, coming into the legal defense funds, pouring out hundreds of thousands of dollars. My bill further tightens the requirements as to foreign contributions which we saw on the Young development matter, where the money had a foreign origin and ended up in a political campaign committee.

I had been unwilling to cosponsor McCain-Feingold as long as it had the provision calling for lesser expenses or free television time, because I think that provision is unconstitutional, in violation of the fifth amendment as the taking of property without due process of law. I know the arguments that they are public airwaves, but once the situation has been established on a property right, I think that constitutes a taking. I discussed that matter with Senator MCCAIN some time ago, and once he says that provision is going to go, I am prepared to cosponsor McCain-Feingold. Last year, when the subject came up, I voted for cloture on McCain-Feingold. Although I didn't agree with all of its provisions, I thought the matter should come to the Senate floor and be voted upon.

Regrettably, we will probably not have campaign finance reform, or we won't have campaign finance reform until there is a demand by the American people that we do so. Only that kind of a demand will move the Congress. My own sense is that we are far short of the 60 votes for cloture for cutting off debate. But I think there may be 8, 10, 12, maybe even more, Senators who would be influenced by a very strong constituent demand. That influences us from a very realistic sense. Regrettably, our hearings this week in Governmental Affairs have not been covered because there is no scandal. The media and the public are attracted, regrettably, only to scandal. It is my hope that as we move ahead in Governmental Affairs, we will have more public attention.

Last week, when we had the testimony as to Roger Tamraz and his $300,000 contribution and the testimony about John Huang asking for money in the White House at a coffee, which the President, apparently, condoned, and the testimony about the man in the line giving the President a card suggesting millions of dollars of contributions and later being contacted by a Presidential aide, had that been on national television, I think the public might well be aroused. It is my hope that the debate here will be spirited. I think, realistically, Senate debates are unlikely to lead the American people to catch fire on this issue. But perhaps our Governmental Affairs hearings can do that, or supplement it by media attention generally.

I think it is a very useful thing to move ahead with these debates on campaign finance reform. Again, I compliment Senator LOTT for scheduling them, and I look forward to participating in those debates, aside from this brief comment in morning business.

I yield the floor.

Mr. BURNS addressed the chair.

The PRESIDING OFFICER. The Senator from Montana.

IRS OVERSIGHT HEARINGS

Mr. BURNS. Mr. President, I rise today to talk about some oversight hearings that have been going on here in the Senate. Also, I hope that the American people are seeing some things happen now that should have happened a long time ago. It wasn't very long ago that the suggestion was made to the Senate that we should go to a 2-year appropriation and a 2-year budget, because it seems like the time is eaten up here in the first part of the year to deal with budget and budget reconciliation, which is very, very important, and then the next part is taken up with the appropriations process.

I have contended all along that our role here is not only to deal with budgets and appropriations, but to also deal with legislation and reform that, in some areas, is needed to stay up with the times, and also in the area of oversight. We have absolutely taken and extended the work day, more or less, to accommodate oversight. I think what the American people are seeing now is the result of that, as there are many hearings going on not only in Energy, but Governmental Affairs and, of course, in the Finance Committee. I want to compliment the chairman of the Finance Committee for this oversight hearing on the IRS.

It is something that has been ongoing out there, I think, since probably we started this business of tax collection. Maybe there is no right way to

collect taxes. I don't know that for sure. Even some activities and actions taken by the Congress have made their job a little more complicated, and maybe in some cases a little bit tough. But it does not give the IRS the right to do this job in the way that has been enlightened for us through these hearings of oversight of the IRS. It has shown a lack of compassion—exhibited by IRS employees beyond my comprehension, and I think beyond the comprehension of those in this country, and I imagine those people who have been watching those hearings. Yes. It happened to me too. Because we maybe are just talking about the tip of the iceberg.

But some abusive IRS employees have expanded their scope of enforcement activities to include business men and women who are just trying to make a living; trying to stay in compliance with all Federal, State, and local revenue collecting and regulating laws.

At the source of this evil we can level our sights in on some mismanagement by some IRS employees. IRS management needs to recognize that they have a difficult job promoting customer service as an IRS attribute. It is not an easy task considering the historic attitude toward not the IRS, but taxes. The founding of this great Nation and history tells us that it kind of started with the Boston Tea Party—a revolt against the tyrannical rule of unfair taxation.

Taxes are a necessary evil. But if kept in check, it is important at all levels of government. It is a must. Taxes have created the world's greatest highway infrastructure, contributed to the protection of our borders, and has created the most successful democratic government in history. But waste and abuse of those dollars have burdened the American taxpayer with one of the highest levels of taxation in the history of this country.

Tax collecting needs to reflect its controversial history. The IRS does not have the right to use harassment, and, yes—as has been brought out in these hearings—even extortion as a method of collecting taxes.

Major changes are overdue. The IRS needs to improve its education and services to taxpayers. Taxpayers must have, at least, a comfort level when they approach the IRS for help so that they feel with some degree of reliability that the IRS will be sensitive to their needs and to their questions.

We need to modernize the computers. Let's face it, the IRS can't do that. They spent some $5 billion to buy new computers. They don't work. They have never worked. We tried to simplify things. What do we do? We made them more complicated.

So the general public loses its confidence to go to the IRS and ask questions that they will get answers for; so that they will try to do the right thing for the right reason.

I think this is a very serious wake-up call to the IRS. Customer service will never be considered as one of their great attributes. But that is what IRS needs to pound into their employees: We work for the American public; it does not work for us. We are a service organization. We try to accommodate folks trying to get through a very difficult situation, a situation that some do not understand.

Perhaps some of that blame lies with Congress. This is not the first time Congress has held oversight hearings. The IRS has a littered history of abuse, and, yes—I hate to say—even a little corruption.

I think these hearings may pave the way for Senator DOMENICI's 2-year budget appropriations bill. I think that will lend credence to it. And Congress could spend more than 1 year on budgetary and spending matters and another year on tough-minded oversight of Government agencies, and maybe the future of such abuse can be averted. But it just does not happen in the IRS. We have other agencies in this Government that are just as abusive.

I have contacted numerous of Montana constituents hearing complaints about the IRS. And I will tell my Senators beware. With these hearings I think our casework is going to go up a little bit.

During the length of the bureaucratic process, debts grow fantastically high with interest and penalties.

But I have been contacted by a few taxpayers in Montana that have similar stories as those that we heard about this week during these Finance Committee hearings. In one of those cases a Montana constituent had a pending case with the IRS that still today is unresolved. The small business was audited in the 1980's. And every time there was an offer, or attempt to make settlement, the IRS denies the offer, and the interest and the penalties continue to compound. In the meantime, he has been forced to sell all of his assets. He has lost everything that he has worked his whole life for, and is now facing retirement with only his residence and darned little capital. Even if the IRS could accept his recent offer he would be left with a mortgage that he will not be able to pay off in his lifetime.

So as a result of these hearings we can certainly expect to hear from more constituents who realize that they are not the problem; that this problem goes way beyond them as individuals, and the problem goes way beyond them as a nation.

Prior to the August recess Congress passed the Tax Relief Act of 1997. The 105th Congress has the opportunity not only to reduce the tax burden on the American public but also simplify a system that is badly in need of reform. A far less complicated tax system may help to clear up some of the IRS abuses. But simplifying the tax system, one can only think, would simplify our revenue collection system.

I realize that tax collection is a thankless job. There are employees of the IRS that try to do a good job. I happen to know a few of those. They do a good job, and they do it with pride. I commend them for not letting the arrogance, uncaring attitude that we have seen emerge out of the hearings earlier this week pollute their work ethic. I want to compliment those folks who do a good job.

Tax collectors have a long history of public persecution. Today my colleagues and I stand here not to tar and feather the tax collector, but to put an end to the abusive culture that has crept into the agency—this business of a situation arising and becoming a personal thing. So when they personalize things then it becomes "me against you, and I have the power of the U.S. Government to destroy you." When they personalize things, that is when they get out of hand.

I ask the American public, if we, who are elected, when we debate personalize everything, nobody would speak to anybody around here. Nobody. We have to bring that back into our service organizations. Basically the IRS is a service organization. They must accommodate. They must feel some compassion. And they must try to help people out of this almost bottomless abyss of trying to do the right thing for the right reason. We cannot let this abusive culture spread like a bacteria through an agency and let it live. We just cannot do that.

Again, I say to my colleagues, rethink your position on a 2-year budget and 2-year appropriations because with all the hearings, as controversial as they may be in an open and free Government, oversight is still the best way to put problems on the table and deal with them. It is the only way in a free self-government that people can deal with them.

I thank our secretary of the conference for setting this time aside to bring this about. And to thank the chairman of the Finance Committee for this oversight because I think he has done a great service for the American people.

I yield the floor.

Mr. COVERDELL. Madam President, I thank the Senator from Montana for his statement here this morning. I think he is right on target.

I yield at this time up to 5 minutes to the Senator from Alaska.

The PRESIDING OFFICER [Mrs. HUTCHISON]. The Senator from Alaska is recognized.

Mr. MURKOWSKI. Madam President, let me wish the Presiding Officer a good morning. Let me thank my colleague from Georgia for his leadership

in this area, and my good friend from Montana for the points he made so succinctly.

Good morning, Madam President. I have an obligation and an opportunity as a member of the Finance Committee to address this problem. As a member of the committee of jurisdiction, I had the privilege of participating in an extraordinary set of hearings that were chaired by Senator BILL ROTH, chairman of the Finance Committee. These hearings really illuminated for the first time the internal workings of an agency of the Government that really generates fear, anger, frustrations and oftentimes public outrage, and that is the Internal Revenue Service.

No matter how scrupulous and honest the citizen is in filling out his or her tax return, when that taxpayer opens the mailbox and receives an envelope from the IRS, a shiver of fear shudders through that citizen. And after this week's hearings, it is clear to all of us why the public holds this view of the IRS.

A witness—some of those witnesses were hooded, I might add—testified that her 17-year ordeal—let me say that it wasn't just an ordeal, it was more of a nightmare—involved improper liens and unwarranted demands from the IRS for more than $10,000 simply because there was a mixup in the taxpayer's employment identification number—17 years, and still the matter is not resolved.

Another witness testified about her 14-year ongoing dispute with the IRS involving a joint return she had filed with her former husband. Although this matter could have been easily resolved, the IRS demands caused her to lose her apartment and ultimately forced her second husband to file for divorce to avoid improper IRS liens.

Neither of these cases have been finally resolved even though it is clear that at every stage the IRS simply acted improperly.

A former IRS employee told the committee of a common IRS tactic of assessing a tax twice for the same 1040 tax form.

A current IRS employee, an employee who did not want his identity known for fear of IRS retaliation, told the committee of situations where revenue officers with management approval used enforcement to punish taxpayers instead of trying to collect the appropriate amount of money for the Government.

Another anonymous current IRS employee told the committee that IRS officials browsed tax data on potential witnesses in Government tax cases, and on jurors sitting on these Government tax cases.

Madam President, this is a portrait of an agency of Government which appears to be out of control.

Is there political influence in the IRS? The answer is clearly yes. One witness testified that she had been advised by her senior official to be somewhat lenient on union returns or returns from union officials. This, obviously, smacks of political influence in the IRS.

Earlier in the week it was reported that 800 Alaskans from my State received notices from the IRS that their permanent fund dividends—this is a payment that comes from the yield of oil revenues distributed to our citizens by our State government—were being seized; 800 seized with a tax lien.

The reason for the seizures? The IRS claimed these Alaskans owed back taxes. In one case the notice claimed a deficiency of 4 cents. In another, 7 cents. That's right, Madam President, notices to 800 Alaskans based on alleged underpayments of 4 to 7 cents. An IRS spokesman apologized and, you guessed it, Madam President, blamed the computer. But who programmed the computer? Who checked the program? Is the programmer still working for the IRS? Who approved sending out 800 notices to Alaskans?

From what I know about the IRS, no human being approved that mailing or the millions of other mailings that go out from the IRS. It appears to me that the managers of the IRS have set up a system that minimizes human oversight so that whatever and whenever there is a foulup, no employee, no manager can be held accountable. It is easier to blame an impersonal machine for a problem than hold an individual accountable.

Madam President, I believe a culture that affixes blame on machines and not human beings reflects on an institution that has for far too long not been held to account for its activities. What we learned from the General Accounting Office is that the system the IRS has in place is designed to ensure that there is no way for IRS personnel to be held accountable for their erroneous actions.

I can assure the American taxpayer that I will be working closely with my colleagues on Finance Committee to change the culture of the IRS and demand a system be put into place that makes the individuals who work for the IRS accountable to the American people.

Madam President, I yield the floor.

Mr. COVERDELL. Madam President, I thank the Senator from Alaska and his colleagues on the Finance Committee for the great work they have done under the chairmanship of Senator ROTH.

I now yield up to 5 minutes to the distinguished Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. I thank the Chair.

Where has our country gone when people appearing before a Senate committee have to have their voices disguised and have to be behind partitions?

I commend the Senate Finance Committee for holding the hearings examining the Internal Revenue Service. These hearings have given the American people an insight into one of the most powerful and secretive of Federal agencies. I applaud Chairman ROTH and members of the Finance Committee for their diligence in examining this agency.

For any who might have missed the hearings, on my web site, which is www.senate.gov/ ~enzi/, you can get the full text of the comments made before the committee. There is also an opportunity there to do an easy e-mail to comment on what has gone on in those hearings. It is important for this body to follow up on those hearings with a complete reexamination of the Nation's tax policy and the IRS. If we are ever to be successful in establishing a just tax code, we in Congress must first come to a consensus about our underlying tax policy.

In the past 3 days, we have heard stories from taxpayers who have been mistreated by an inefficient and confrontational Internal Revenue Service. Taxpayers testified that they were forced into personal and financial ruin by an all-too-often faceless agency with little accountability to either the American taxpayers or to Congress.

We have heard about the enormous power of the IRS, which includes the power to take a taxpayer's home on nothing more than the signature of the district director. There is no court hearing. There is no notice. There is no opportunity to litigate the merits of the Service's claim. The IRS has the power to close down a person's business and take away his livelihood by merely filing a few papers in Federal court. The judge signs a seizure order without ever giving the taxpayer notice or an opportunity to contest the legality of the assessment or the amount of the tax owed or the problem with the computer system.

Madam President, this is precisely the kind of abuse by our Government our Founding Fathers were attempting to avoid when they included the fourth and fifth amendments in the Bill of Rights. These actions amount to administrative tyranny.

As I have traveled around the State of Wyoming, I have heard a great deal of concern about the present state of the IRS. Our Tax Code is so frustratingly complex that even the professional tax preparers are pleading for simplicity. These folks know that the present Tax Code exposes them to a great deal of liability due to the likelihood of conflicting interpretations of the code and its myriad of accompanying regulations.

As an accountant myself, I am sympathetic to the concerns of those who claim that even the experts cannot agree on many of the provisions of the current system. It is unfair to expect

Americans to operate under a tax system with such a mind-numbing complexity and inherent contradictions.

Under the current regime, it is perhaps the moderate-income taxpayer and the small businessman who suffer the most. That is not how audits are supposed to work. One of the most surprising facts which came out of the testimony this week is the significant increase in audits of lower income people and very small businesses over the past several years. This increase is not because the IRS believes these people have large amounts of unreported income. Rather, it is because the Service believes these people are the least likely to fight them after an audit since they can least afford professional tax preparers and expensive legal counsel.

Just this week, I heard from some small business owners in Wyoming who have been battling the IRS for 5 years over $200,000 in taxes they are convinced they do not owe. After a 3-year onsite audit, the IRS determined that they only owed $30,000, including the fines and penalties. Even though they disputed this amount, they figured they had no choice but to pay it since they could not afford to take the case to court. Moreover, the agency threatened that if they didn't agree to pay the bill, IRS would reopen the investigation and insinuated that this might result in even more money owed. That is blackmail. This treatment of our citizens is unjust. An agency which turns to coercion and intimidation to settle unreasonable disputes is in desperate need of reform.

Madam President, while I realize that many of the IRS agents are hard-working, dedicated public servants, I am convinced the problems we have heard about this week are more than isolated occurrences. Instead, they represent a systematic disease which cannot be cured by tinkering with the current Tax Code or modifying a few Internal Revenue Service procedures. I believe these hearings will force us to reexamine the specifics of our current code and our underlying policy as well.

I have made the examination of our tax policy one of my top priorities for my service in the Senate. I will work with my colleagues toward developing a policy that reflects the legitimate priorities and goals of raising revenue for a Government which should in its every facet serve the people from whom it derives its power, not control the people from whom it derives its power.

I thank the Chair and yield the floor.

Mr. COVERDELL. I thank the Senator from Wyoming and yield up to 5 minutes to the distinguished Senator from Colorado.

Mr. ALLARD. I thank the Senator from Georgia for yielding.

Madam President, I rise this morning to talk with my colleagues about the Internal Revenue Service. This week my colleagues on the Finance Committee have been holding hearings to examine the inner workings of the Internal Revenue Service. I appreciate their effort to more closely examine this institution. Not only do I appreciate it, but there are many Americans who appreciate this effort.

For too long the Internal Revenue Service has not been accountable as an institution. Our Nation was built on a system of checks and balances. However, the Internal Revenue Service seems to have escaped this protection for Americans. For too long the Internal Revenue Service has used secrecy, intimidation and fear to do battle against those whom it has been called upon to serve, and that is the American taxpayers.

I found it especially interesting that during those hearings those who know the Internal Revenue Service best—that is its own employees—were the most afraid. Those who know what the Internal Revenue Service does were the ones who wanted to protect their identities.

Although there are many dedicated employees at the Internal Revenue Service who perform their jobs honestly and responsibly, there are some who do not. Those few have forgotten the mission statement of the Internal Revenue Service, which calls on them to perform in a manner warranting the highest degree of public confidence in their integrity, efficiency, and fairness. I remind them of this pledge and call on them to uphold it.

Unfortunately, the abuse of taxpayers is not limited to the testimony we have heard this week. I have held more than 63 town meetings throughout the State of Colorado, and obviously taxes were a big issue. But it was not unusual for me to hear from many people about the difficulties they have had with the Internal Revenue Service. Time and again I have heard stories about how the Internal Revenue Service plays a waiting game, knowing that they have the time, the money, and manpower to outlast a small taxpayer.

One of my constituents was awarded $325,000 in damages by a Federal court because Internal Revenue Service agents had wrongfully publicized information about her, after agreeing earlier that they would not make that information public. After auditing this taxpayer's business, the Internal Revenue Service seized the business and demanded $325,000 in back taxes. After requesting a reaudit, it was found that she did not owe anywhere close to $325,000. In fact, all she owed was $3,400. And certainly there was no real intent to avoid the law.

The real problem here, however, was that the agents involved in the case wrongfully disclosed information about the taxpayer after agreeing to not disclose that information. When awarding damages in the case, the judge harshly criticized the Internal Revenue Service saying:

> The conduct of our Nation's affairs always demands that public servants discharge their duties under the Constitution and laws of this Republic with fairness and a proper spirit of subservience to the people whom they are sworn to serve. Respect for the law can only be fostered if citizens believe that those responsible for implementing and enforcing the law are themselves acting in conformity with the law.

Once again, though, the Internal Revenue Service is dragging its feet, refusing to pay the money.

Other constituents have described situations where they received notices from the Internal Revenue Service for very minor mistakes and then are assessed penalties and interest that far exceed the amount of tax owed. It is a frightening experience to get a notice from the Internal Revenue Service, particularly when it is so difficult to communicate back to them and actually get some real answers concerning a case.

I am reminded of a case that came up in interacting with the constituents that I represent in the State of Colorado. Someone came up to me and said, "We sent a certified letter to the Internal Revenue Service with the check." They signed for the envelope and yet the check apparently had been lost by the Internal Revenue Service. This constituent was fined $200 by the Internal Revenue Service. She felt paying the fine was cheaper than getting professional help to fight the case. Constituents tell me of years of meetings, negotiations, and delay by the Internal Revenue Service.

Madam President, I request 30 seconds just to summarize my remarks, if I may.

Mr. COVERDELL. If the Senator will yield for just a moment, Madam President, time allotted for this discussion was to end at 10. I have conferred with Senator MCCAIN, and I believe he is agreeable to allowing it to run until 10:05 to allow Senator BOND to make his remarks. So I yield 30 seconds to the Senator from Colorado.

Mr. ALLARD. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the request to extend time 5 minutes? The Chair hears none, and it is so ordered. The Senator from Colorado.

Mr. ALLARD. I thank the Chair.

Constituents tell me of years of meetings, negotiations and delays by the Internal Revenue Service in order to wear them down, even in cases where the law is unclear and subject to different interpretations. This abuse of taxpayers must stop. The Internal Revenue Service must recommit itself to serving the taxpayers. It must stop making criminals out of those whom it is charged with helping.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Madam President, I thank the Senator from Colorado and now yield up to 5 minutes to the distinguished Senator from Missouri.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. BOND. Madam President, I thank my colleague from Georgia and I thank the Chair.

I rise today to address an issue of profound importance, as my colleagues have been addressing, and that is the urgent need for a complete overhaul of the tax system in this country.

Over this past week, we have all watched as the Senate Finance Committee has held important hearings on the administration of our current tax system. The testimony has demonstrated many things quite clearly, among them the fear of many taxpayers. But it has also been quite plain that for many taxpayers the root of their difficulties starts with the enormous complexity of the tax laws as they currently stand. Clearly, there is an urgent need to scrap the current tax law and start with a new system so that taxpayers can understand and follow the law in the first place.

As chairman of the Senate Committee on Small Business, I have heard in hearings from entrepreneurs all across the country that their biggest obstacle to staying in business is complying with the tax laws. The tax bill that we passed last summer did much to ease the tax burden for many small businesses. But at the same time it did nothing to reduce the complexity of the law which small enterprises must navigate in order to enjoy the lower tax bills. As a result, instead of leveling the playing field for small businesses we have made it more lopsided. Unlike their larger competitors, small businesses can rarely afford a staff of full-time professional employees to maintain the tax records and fill out the dozens of forms required each year. To put these duties in context, it has been estimated that Americans spend more than 5 billion hours each year complying with the tax laws. That is a staggering amount of time spent on completely unproductive activities.

One of the figures that we have heard in the Small Business Committee is that the average small business spends 5 percent of its revenues on figuring out how to comply with the tax laws. That is not paying the taxes, that is figuring out how much tax they owe and how to comply with the tax laws. Would it not be better for small businesses to spend that time making products, providing services, providing jobs—activities that they set out to do in the first place?

For the vast majorities of small enterprises there is only one person who handles all the tax matters and that is the small businessowner. That is the one person who has to deal with nearly 10,000 pages of tax laws, 20 volumes of tax regulations, and thousands and thousands of pages of instructions and other guidance, issued by the IRS. Sadly, much of that burden is more than most small businessowners can do on their own. Instead, they are forced to spend vast amounts of their limited capital to hire accountants to keep the records and prepare the tax returns.

For the small business that runs into difficulties on its taxes, the situation becomes even worse. The businessowner must spend additional funds on accountants and lawyers to handle the issue. Resolving these cases can take years, and cost tens of thousands of dollars in professional fees. Not infrequently, the end result is a tax bill that is inflated by the large amounts of interest and penalties.

Once again, we must keep in mind that every hour the small businessowner spends trying to resolve tax problems is taken away from the actual productive business of running his or her own company.

Madam President, the Small Business Committee will hold a hearing next month to elicit the views of small business on what the optimal tax system would look like, if we started from scratch. I look forward to constructive suggestions from the small business community. I expect they will say the system should be fair, simple, and easy for the average person to understand. It should apply a low rate to all Americans. It should eliminate taxes for individuals and families who can least afford to pay. It should not penalize marriage or families. It should protect the rights of taxpayers and reduce taxpayer abuse. It should minimize recordkeeping and reporting requirements. It should eliminate the bias against jobs, and investment. It should protect Social Security and Medicare and help ensure all Americans have access to health insurance.

The case cannot be clearer that we need a dramatic change in our tax laws, and we need it soon.

For the information of my colleagues, the full text of my remarks will be on the web site of the Small Business Committee at www.senate.gov/~sbc.

Mr. President, the case cannot be clearer that we need a dramatic change in our tax laws and we need it soon. Too much time, money, and effort are now wasted by individuals and businesses in this country that could be spent to improve our economy, our society, and the environment. I ask my colleagues to join me in raising the alarm and committing ourselves to do more than just talk about the problem. It's time to act—it's time for a new, fair, and simple tax system for all Americans.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Madam President, I thank each of the Senators who this morning commented on the extensive hearings under Chairman ROTH. They were very revealing. I believe there can be no doubt but that major reforms must be brought to the Nation in short order. Each of these Senators made a substantial contribution to further elaborating and making clear the urging of the Congress for this agency to reform itself. Remember that it works for the people, not the other way around.

I yield the floor. It is exactly 5 minutes after 10. I know the Senate is prepared to move to campaign reform.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

BIPARTISAN CAMPAIGN REFORM ACT OF 1997

The PRESIDING OFFICER (Ms. COLLINS). Under the previous order, the Senate will now proceed to the consideration of S. 25, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 25) to reform the financing of Federal elections.

The Senate proceeded to consider the bill.

Mr. WELLSTONE. Madam President, may I make a unanimous-consent request for 10 seconds?

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. WELLSTONE. I ask unanimous consent that Michael Smith, who is an intern in my office, be granted the privilege of the floor during debate today.

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

The majority leader is recognized.

Mr. LOTT. Madam President, today the Senate begins to formally debate what is probably the most discussed and least understood issue before the Nation, campaign finance reform. I have made clear, for the last several months, actually, that the Senate would, in due time, after finishing its work on the budget and the 13 appropriations bills, move to this matter. I indicated all along that I knew this issue would come up, that it should come up, and it should be debated. And, therefore, I have kept that commitment and we will begin our debate. We will have a full debate, and we will have some votes. Maybe not the votes that everybody would like to have, but critical, key votes on assessing where the Senate is.

Are we near a consensus yet? Are we prepared to stop trying to claim an advantage here or an advantage there and

see if we can come together in a consensus in this area? I have my doubts that we have reached that point yet. But we begin the debate, I hope, in a respectful and thoughtful way. I trust no Member of this body doubted my intention to do what from the very beginning I said we would do, in terms of calling this legislation up.

We are taking up this issue now under a unanimous-consent agreement identical to the one I propounded a few days ago and to which the minority leader did not at that time agree. So at the outset of this debate, I want to make this clear. President Clinton's standing on this subject of campaign finance reform is a case study of the problem, not an exemplar of the solution. Indeed, it would take the Senate, and the House too, staying in marathon session all the way through Christmas, just to trace the appalling campaign finance practices that were so large a part of President Clinton's reelection effort.

Just today I understand from WTOP radio news this morning, the President is in Houston after last night calling, trying to get Senators ginned up to come in here and speak on this subject. But what is he going to be doing in Houston? I have his whole schedule, off the wire service, as well as the remarks made this morning on WTOP. I will put it in the RECORD.

I ask unanimous consent to have it printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Friday, Sept. 26
White House
President Clinton:
In Little Rock and Houston. All times local.
11 a.m. Departs private residence, Little Rock.
11:15 a.m. Arrives at Adams Field.
11:30 a.m. Air Force I departs en route Houston.
12:40 p.m. Air Force I arrives at George Bush Intercontinental Airport, Houston.
12:50 p.m. Departs airport en route San Jacinto Community College.
1:20 p.m. Arrives at San Jacinto Community College.
1:30 p.m. Addresses the college community.
2:40 p.m. Departs college en route downtime location.
3 p.m. Arrives at downtown location.
7:15 p.m. Addresses DNC dinner. Private residence.
8:10 p.m. Departs residence en route airport.
8:30 p.m. Arrives at airport.
8:45 p.m. Air Force I departs en route Little Rock.
9:50 p.m. Air Force I arrives in Little Rock.
10 p.m. Departs airport en route private residence.
10:15 p.m. Arrives at private residence for overnight.

WTOP RADIO REPORT SEPTEMBER 26, 1997, 9:30 EST

Mark Knoller, CBS News Reporter traveling with the President in Little Rock, Arkansas, filed the following story for CBS World News which aired on CBS radio affiliate stations including WTOP radio on Washington at 9:30 a.m. Eastern Time on Friday, September 26, 1997:

"It took the White House by surprise when Senate Majority Leader Trent Lott announced that the Senate would begin debate today on campaign finance reform. The White House thought it would have several more weeks to plot strategy for passing one version or another of the McCain/Feingold bill.

"So, as Mr. Clinton finished a five-hour round of golf last evening, he quickly placed calls to a handful of Senators to talk strategy for today's debate.

"The President has loudly proclaimed campaign finance reform as one of his top legislative priorities for the fall. And this week, he threatened to call Congress back into session if it adjourned without taking up the issue.

"With his own political fund raising practices the subject of a Justice Department review and the possibility that it could lead to the appointment of an independent counsel, there is a political component to the President being seen as Cheerleader-in-Chief for campaign finance reform.

"But as it turns out, the Senate debate begins on a day that will find the President on a day trip to Houston. His schedule there includes a fund raising dinner for the Democratic National Committee which expects to raise $600,000, some of it from contributions the President wants to outlaw.

"In Houston, the President will also talk about new data showing that his college tuition tax credit plan will help increasing numbers of people attend at least two years of college. With the President in Little Rock, I'm Mark Knoller, CBS News."

Mr. LOTT. Among other things he will be doing in Houston today is attending a fundraiser tonight, where it is estimated they will raise $600,000, some of which if not much of which is exactly the kind of money that he has said, "Oh, we ought to stop." What is he saying here, "Oh, please stop me before I do it again?"

So, I think we need to start off making it clear what is going on here. A lot of what is going on is an effort to change the subject. "Oh, gee whiz, the Governmental Affairs Committee has come up with some things that are a real problem. Gee, why won't the Attorney General appoint independent counsel? We have to have another subject on the griddle here." But that's OK. That's fine. Finally we will, maybe, shed a little light on what is going on here.

It seems that much of what will need to be done with regard to violation of the laws—before you start changing laws to try to see if you can fix problems, wouldn't it help if the laws already on the books were obeyed and enforced? Wouldn't it be better if we found out how people violated the laws last year? Who did it? What do we need to tighten it up with regard to illegal foreign contributions, direct and indirect?

But it seems that much of the task of what really went on will be left to others, unless the Attorney General can discover still more ingenious reasons for delaying what increasingly seems inevitable, the appointment of independent counsel.

For us here, we will do what we are going to do anyway, before Mr. Clinton's unnecessary and irrelevant letter. We will at least have the opportunity to lay before the American people the pros and cons of various proposals for campaign finance reform.

In the process, I think it will become clear that in campaign law, as tax law, there is no bad idea that cannot be made presentable by taking on the label of "reform." This is our chance to see more closely some of the ideas that have been presented and whether or not they will really work—or not; whether they will be fair; and whether they will encourage discourse and expression of views and opportunities for candidates to go directly to the people instead of being filtered by the news media.

Let me offer this comparison. On the issue of campaign reform we have been like a customer in a used-car lot. The salesmen have been talking about this little beauty's wire wheels and leather upholstery, and it has all sounded pretty good. But now we get to look under the hood and find out why this deal looks too good to be true and, in fact, probably is.

Before we launch into the details, though, I want to pay tribute to those of our colleagues who have worked on this issue at great length and in good faith. Some of them I agree with and with others I disagree. And, hopefully, we will disagree without being disagreeable. But all those who have pursued this issue out of personal conviction, rather than political expediency, merit our commendation. My disagreements on this matter with Senator MCCAIN and Senator FEINGOLD are well known—and may well become more emphatic in the course of this debate. But I recognize the sincerity of their views and I thank them for their cooperation that has enabled us to take up other legislation without being intercepted or interrupted or heckled. They have been responsible. They deserve the right to talk about their bill and we deserve the right to point out where the problems are. And I think we have set up a way to consider this legislation in an orderly manner.

Senator MITCH MCCONNELL more than anyone else has argued against their position. Entirely apart from the part that I agree with him, he stands today as an example of political courage, someone who is willing to challenge the prevailing wisdom because it is incorrect and because it would violate or restrict the fundamental rights of Americans.

Legislation is never considered in a vacuum and this legislation is no exception to that rule. The Senate will be debating campaign finance reform against a background of lurid exposes

about the campaign of 1996. All summer long the Nation has heard news about people ignoring the law, fleeing the country to avoid the law, explaining away the law, refusing to testify about their actions and the law. From all that, some may conclude that we need more laws. Others may wonder why we don't enforce the laws we already have concerning campaign finance, and let the personal chips fall where they may.

The fact is, this country already has so many campaign laws and campaign regulations that to avoid breaking the law most congressional campaigns have to hire a battery of legal experts just to avoid fines and censure by the Federal Election Commission. No longer do you sit down, like I did in 1972, and fill out my campaign finance reports, you know, in longhand, and try to make sure it adds up, send it in and struggle to get it in on time. Nah. Now you have to have legal advice, you have to have a CPA, you have to have somebody familiar with the FEC laws. It becomes one of the burdens of elections. Why don't we, instead, go with freedom, open it up, have full disclosure and let everybody participate to the maximum they wish.

But, no, no, no, no; we keep tightening down, tightening down, tightening down. Do you know what really is involved here? There are a lot of people who don't want the people involved. They want the news media to dictate, through their editorial columns and their editorials in their news articles, who will be elected.

Boy, I know how that works. I have had to deal with that in my State. If I hadn't been able to get the money to get my message across, how could a conservative Republican be elected in the State of Mississippi, where the courthouses were all owned and operated by Democrats almost entirely, so I had the so-called court house gang fighting me and the biggest newspaper in the State bashing me regularly in its editorials and in its news stories in the form of editorials. You know, I took basic 101 journalism in high school and I know the difference between a news story and an editorial. But my friends in the print media quite often get that a little confused. As well as the largest television station in the State, which regularly took my head off any way they could.

So, how did I win? Because I had the opportunity to take my case to the people, raise the money to get my message across over the head of the opposition, and the people gave me the opportunity to serve in this body.

The fact is, today's political campaigns are forced to operate within a web of campaign law first devised almost a quarter century ago. No matter how unworkable some of them are, how out of date some of them are, instead of pulling back and clearing away, the temptation is always to add on.

That is what happened with the IRS. Can you believe it? The U.S. Senate Finance Committee, with jurisdiction over the Internal Revenue Service, this week had its first ever oversight hearing on the violations, abuses, intimidations, and threats from the IRS. We are partly to blame. We have been hearing about these problems for years. What did we do about it? More laws. We kept adding on. We kept putting on more pressures. Unfortunately, too often we added more taxes.

The same is true here. The temptation is to restrict and limit free speech. Add on another restriction, one on top of another, with regard to campaign spending or the ability to raise money. Add on another reporting requirement. Add on another financial incentive, often from the taxpayer's purse, for campaigns to behave or advertise in a certain way.

Remember now some of the things that have been advocated along the way, I believe, in the campaign finance reform bill proposed originally by Senators MCCAIN and FEINGOLD—a form of public financing of campaigns. People don't support that. Great; we are going to have the U.S. Treasury dollars go to candidates with a system of incentives and punishments and voluntary do this, don't do that; oh, by the way we will give you free broadcasting. The American people know there ain't nothing free. Somebody is going to pay. But that is kind of what the push has been.

I hope the debate we are starting today will break us out of that regulatory rut. We now have a chance to go back to square one and to reconsider the fundamental principles of what all along has been taken for granted.

For example, with today's computer technology—so rapid and so revealing beyond the imagination of the lawmakers of 1974 when the present law was enacted—perhaps the public good would best be served, not by restricting donations to campaigns, but by promoting them, with full disclosure—full, total, and immediate disclosure.

I wonder what would happen if every donation to a Federal campaign had to be logged onto the Internet as it was received by the campaign. Anyone interested in the integrity of that campaign, the identity of its donors, the possibility of undue influence or corruption, would be able to track the campaign's revenues dollar by dollar as they come in. Maybe we could agree on that.

Then let interested Americans donate as they will, for this one overriding reason: Because spending money to advance your own political views is as much a part of the right of free speech as running a free press.

I think the whole problem can be summed up in this one example. Suppose a distinguished surgeon feels strongly about a particular issue, whether it is Government control of health care or environmental policy or our entanglement in Bosnia. Her work is her life. She is saving lives every day. She has no time to devote to politics. Instead, she donates to candidates who agree with her views.

But her college-age son, on the other hand, has plenty of time, and he disagrees with his doctor-mother on just about everything, which wouldn't be unusual for a young college student to disagree with his or her parents. So he cuts back on his classes and volunteers 40 hours a week for the candidates who oppose her candidates. In the process, he saves those candidates a considerable amount of money doing for free what they otherwise would have to pay for.

Now, which of those two is a good citizen: The wealthy physician who writes checks to campaigns, or the pugnacious young man who gives them his time and labor?

My answer is both of them. Our campaign laws ought to encourage both their public spirit and their political involvement.

But our laws don't do that. They don't advert at all to the student volunteer or, for that matter, to the Hollywood personality whose donated performance brings in, say, $1 million for a Presidential campaign. For some reason, campaign contribution limits seem to stop right outside the gated driveways of some of the richest and most influential personages of the land.

But those laws do apply to the doctor and to everyone else who sits down to write a check, to put their money where their views are. I have made no secret of the fact that we need more such people, not fewer, and that our present campaign laws should be reformed so that they don't discourage citizen involvement of any sort.

That is especially important with regard to issue advocacy by the whole range of public policy organizations, left or right, liberal to conservative. The inclination by Government to regulate speech—or expenditures that are the equivalent of speech—is hard to contain.

It starts with the understandable wish to discourage slander and libel in campaigns. It proceeds to various schemes to review and control the content of campaign ads, and it ends up in attempts to restrict the essential right of private citizens to expose the records of candidates and reveal where they stand on crucial issues of the day.

Do I like this? When I am the brunt of some of that, no, I don't like it, and we can probably get bipartisan agreement that some of the negative aspects of it are not good. We don't like it. But how do we tell a private citizen that he or she can't pick a billboard and say, Congressman X or Senator X voted wrong on an issue? I think we need to think long and hard about that.

I hasten to add that, in its current form, the legislation before us does not do all of those things. I have been speaking more generally about various proposals that have won considerable credence in the media which, come to think of it, is the very last place those proposals should be tolerated. After all, once we lower the bar between Government and free expression of political ideas, we imperil that expression for everyone.

I am not suggesting that every aspect of campaign financing is so clear or so simple that all well-meaning persons will inevitably come to the same conclusion about it. They won't. But there is one campaign finance issue about which that is the case, about which all persons of good will should, indeed, reach the same conclusion.

That is the principle that no person should be compelled to financially support a political campaign, especially a campaign with which he or she does not agree. Surely we can agree on that.

Our instinctive reaction is to say, "Oh, that's out of the question; you can't be compelled to contribute to a candidate or campaign you don't agree with or against your will; it couldn't happen in America."

Well, it does. It happens all the time, and it is happening now. I am referring to the great scandal in American politics, what is to my mind the worst campaign abuse of them all: The forceful collection and expenditure of business fees or union dues for political purposes. This is not something that is aimed at businesses or at unions because I am unduly critical of them. We want more business. We want jobs. We want them to be involved in the political process. I am the son of a shipyard worker, a pipefitter, who was a union steward for a while.

I think we should encourage union members to be involved and active in politics. My own father was and so were my grandfathers on both sides of the family. So I have made the point over the years to go into plants and mills and stand at the gates and go into union halls—yes, union halls. I have had some interesting times there, because I quite often ask union members, "Do you agree with these things?" and run down the list. They don't agree with them; they agree with me. It is the union ratings of who is voting right or wrong. The local union members in my hometown more often agree with me than they do with the union bosses in Washington.

Sometimes, by the way, I think businesses do this, too, that somehow you have to contribute fees, or some process is used to get your money and put it in campaigns. The individual should have the final say and total control over how that happens. They should either have to write out the check for a specific purpose or give specific approval before those dues or those fees could be used.

I have heard complaints from union members about how disgruntled they are about the way their dues are mishandled by the national union officers. I have heard their anger and frustration knowing their unions are financially supporting a candidate whom they oppose. When they ask me why this is permitted, how am I supposed to answer? "Well, the law just allows that."

The courts are saying that shouldn't happen, but, buddy, you are going to hear a lot of screaming and hollering on the floor of this body about, "Oh, we can't have that opportunity for members or employees of a business or a union to direct where their contributions go, where their dues go." I think that is going to be pretty hard to defend for the average blue collar working man and woman wherever they are.

Should I tell them those who wrote our earlier campaign laws deliberately slanted those laws to hurt certain interests and advance others? Should I tell them that much of what passes for campaign finance reform today would only worsen those deliberate inequities?

As far as I am concerned, righting that wrong is the price of admission to campaign finance reform. If a Senator is willing to free employees and union members from that compulsory contribution of their hard-earned wages to political campaigns, then I can accept that Senator as a legitimate participant in the campaign reform debate, whether or not I agree with his or her views on the rest of the subjects. At least we know they want fairness, an opportunity for people to have some say where their dues, their fees, will go.

But anyone who is not willing to take that essential first step to protect the earnings and consciences of employees and union members against the political diversion of their fees or expenses or union dues, that person, in my mind, has no standing in the debate we are beginning today.

Madam President, I never deceive myself into thinking the American people follow every word that is spoken on the floor of the Senate. I hope not. They usually are too busy making America better by pursuing their own individual dreams. But this debate, I think, will catch and hold their attention for a while, and I think they are going to be interested in what they hear.

They may not have been able to read both sides in some of the news media, but hopefully they are about to hear it from me and from others and from the media that will tell both sides of the story and tell what the options are. At the end of what I think we are going to see this debate deliver will be a sea change in opinion as the public rethinks the role of candidates, of donors, of volunteers, of issue advocacy groups, and of Congress itself, whose track record on legislating on this issue has not been stellar.

In the past, the Supreme Court has had to overturn patently unconstitutional campaign reform legislation. Let us do nothing now to force a repetition of that rebuke. As a Member of the House and Senate over the years, I have heard, "We can't worry about that; we don't know what they will do. Let's just do what we want to do and then we will see." I don't think that is very responsible. You can always argue what is constitutional and not constitutional, but free speech is pretty easy to discern, and it ought to be hard to limit.

In the very recent past, there were 38 Members of the Senate who were willing, on the record, to amend the Constitution to give a Federal agency, the Federal Election Commission, the power to limit the first amendment rights of individual Americans. That, I trust, is an idea whose time has come and gone and will never come again.

In closing, Madam President, I would like to recall a line from what was probably the first drama written and performed in America. It was called "The Candidate, or the Humours of a Virginia Election." In it, a seasoned older candidate advises a younger one that when he makes promises he knows he cannot deliver, he should say, "upon my honor," otherwise they won't believe you.

Well, thus far, in the national debate about campaign finance reform, much has been said "upon my honor." Now comes the real test of ideas, so the American people can decide for themselves whom to believe and whom to trust about this matter that goes to the heart of their personal rights and their political liberty.

I yield the floor, Madam President.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Democratic leader is recognized.

Mr. DASCHLE. Madam President, this Congress has spent many, many months and millions and millions of dollars to investigate perceived abuses in the 1996 election. There have been cries of outrage and shock. The American people are deeply cynical about whether Congress will ever pass campaign finance reform because they believe politicians' self-interests will, once again, override public good. If after all the hearings, all the press releases, all the statements, we do absolutely nothing, that cynicism is justified.

The American people are not dumb. They know the system is broken. They know we now have an opportunity to fix it, but they do not think we will. But we can use this opportunity, the next several days, to prove them too pessimistic. We need a sincere bipartisan effort to clean up our own house.

So, Madam President, this is a defining moment. People who think they

can kill this effort with political gamesmanship—without anyone noticing—are wrong. If we squander this opportunity, it will not go unnoticed.

Today, we begin one of the most important debates that we will have in this Congress. We have sought this opportunity for almost a year. I appreciate the majority leader has now agreed to this debate. I hope his colleagues will not act to block meaningful reform now that we have the opportunity to deal with it. This is not only an easier way to resolve this issue, it is by far a better way. The American people have a right to hear full and open debate. And we have an opportunity and a responsibility to conduct it.

I appreciate, too, President Clinton's determination to see that we have a good debate and his willingness to take the extraordinary step—and I hope that it will not be necessary—of calling a special session of Congress to make sure that there is sufficient time for a thorough debate.

It has been a generation since the last campaign finance reform laws were signed. Today, those laws are practically useless. Some have been circumvented by new loopholes. Senator LOTT has noted all of the attention to abuse and the fact that we have so many laws on the books today.

The fact is that many of those laws are unenforceable because they have been poorly drafted, because they intentionally, in many cases, created loopholes, because they are ambiguous, because we do not have the teeth in the Federal Election Commission system to deal with it.

Just today in the Wall Street Journal there is an article that the former chairman of the Republican National Committee, Haley Barbour, is now being investigated by a grand jury for fundraising infractions he may or may not have committed as chairman over the last couple of years.

So, Madam President, this is not a Republican problem or a Democratic problem. This is an American problem, an American problem evidenced by grand jury investigations, by special counsel investigations, by congressional investigations. The investigations go on and on. And if we do not deal with it, the cynicism will rise, the participation in democracy will fall, and we will all be the victims.

So, Madam President, we have an opportunity today to build on the history.

In 1971 and in 1974, Democratic Congresses enacted major reforms that we thought would address many of these problems. We limited the amount of money in politics and required candidates to disclose where they got their money. But, unfortunately, many of those reforms, as we all well know, were thrown out by the controversial decision of the Supreme Court in 1976, Buckley versus Valeo.

For the last 21 years, since that decision, Democrats have tried to overcome obstacles put in place by that ruling. We have tried to find ways to address the complexities, the problems, the shortcomings of that decision.

It was 10 years ago, at the opening of the 100th Congress, that then-majority leader ROBERT C. BYRD introduced a bill to limit spending and reduce special interest influence. We had to fight through eight cloture votes, eight filibusters, in order to get the opportunity to finally vote on the issue. Democratic sponsors modified the bill to meet Republican objections. But in the end, Republicans continued to oppose the bill, and ultimately it died.

It was 8 years ago in the Democratic-led 101st Congress, both the House and the Senate passed campaign finance reform bills. President Bush threatened to veto the bill because it contained voluntary spending limits, effectively killing the bill.

Six years ago, in the 102d Congress, also a Democratic-led Congress, again the House and Senate passed campaign finance reform bills. And at that time the President—President Bush —vetoed the bill, with the backing of nearly every congressional Republican.

In the 103d Congress, we passed campaign finance reform with 95 percent of the Democrats in the Senate and 91 percent of the Democrats in the House voting for reform; 95 percent in the Senate, 91 percent in the House, voting for the reform. Yet, Republicans filibustered the move to take the bill to conference.

Senator MCCONNELL has boasted of that filibuster that "My party did the slaying then."

The 104th Congress, supposedly the "reform Congress," also presented opportunities for campaign reform. It appeared reform might actually happen when President Clinton and Speaker GINGRICH shook hands in Vermont and pledged to create a commission on campaign financing. But the commission never materialized.

Then, Senators MCCAIN and FEINGOLD introduced their bipartisan reform plan. Again, reform seemed within reach. And 46 of 47 Senate Democrats voted for McCain-Feingold. Republicans in the Senate filibustered the measure. Meanwhile, Republicans in the House introduced a bill that would have allowed a family of four to contribute $12.4 million in Federal elections—125 times more than the current allowed amount. We did not get anywhere in that Congress either.

That brings us to this Congress, the 105th. In his State of the Union Address in January, President Clinton made it very clear the importance that he put on the priority that Democrats have reiterated throughout this year, that we pass campaign finance reform. He called upon us to do it by July 4.

During the balanced budget negotiations in February, the President and Democrats in Congress asked our Republican colleagues to make campaign finance reform one of the top priority issues on which a bipartisan task force could be established. They refused to do so.

In the House, Republicans have voted five times in this Congress against bringing campaign finance reform to the floor. Here in the Senate, we actually have had one vote on campaign finance reform. That was a vote this past March to kill a constitutional amendment that would have allowed reasonable limits on campaign spending.

The problem is very simple, Madam President. The problem is the amount of money, the decades of delay. In the two decades since Buckley versus Valeo, since the Congress passed the only real campaign reform laws on the books today, the amount of money in politics has skyrocketed. It is no accident, no coincidence, that voter turnout and public confidence in this institution has plummeted. Even Nero would have put down his fiddle before now. But we just keep on playing, while spending on political campaigns spins out of control.

That is the fundamental problem. We all know that. We hear talk in this debate about hard money and soft money, this money and that money. That isn't the core problem. The core problem is that there is too much money, period. Too much money.

Total congressional campaign spending has exploded in the last 20 years. We spent $115 million on Federal campaigns in the 1975–76 election cycle. Ten years later, in the 1985–86, we spent $450 million. In the last cycle, 1995–96, Madam President, we spent $765 million on Federal campaigns.

Each election cycle shatters another spending record; 1996 was no exception. Spending in Federal campaigns increased 73 percent over the previous Presidential cycle; 73 percent in four years. To put that in perspective, during the same period, wages rose 13 percent, college tuition rose 17 percent, but Federal campaign spending rose 73 percent.

The average cost of winning a Senate seat in 1996 was $4.5 million. To raise that much money, a Senator has to raise $14,000 a week, every week, for 6 years.

I am currently—I am sure the majority leader is, too—seeking candidates to run for the U.S. Senate. I wish I could give you some indication of how difficult it is to tell a candidate, "I want you to run. I want you to seek one of the highest offices in the land. But to do that, you're going to have to somehow raise $4.5 million between now and next November. I know you don't have those kinds of personal resources. And I don't know how you'll raise the money. But never mind, you can do it. And I promise that you will

never be indebted to any contributor. I promise that, regardless of how much you spend, you'll never have one of those contributors come back and ask you for something."

Madam President, the system is broken. That experience is repeated over and over and over again. How many more times will we have to tell someone who may consider running for the U.S. Senate, "You can't afford it. This is now a club for millionaires. You either have lots of money, or you're indebted to somebody for the rest of your life." But that is the choice. That should not be the American way. That should not be allowed to happen to the political system we have believed for all these years.

The average cost of winning a House seat in 1996 was $660,000. To raise that much money, Members in the House had to raise $6,000 a week, every week, for 2 years. It is demeaning. It is distracting. It takes us away from what we should be doing.

It used to be you worked the fundraisers around the Senate schedule. Now we work the Senate schedule around the fundraisers.

What I am describing now, Madam President, is a problem. We have not even reached the crisis stage yet. But we projected, given current rates of political inflation, what the typical Senate race will cost in our lifetime, 28 years from now, the year 2025. In the year 2025, if nothing changes, a typical Senate race will cost $145 million per candidate—per candidate. Are you going to tell your son or your daughter you want them to get into political life? Are you going to tell your son or your daughter that somehow in their lifetime, if they want to seek higher office, that they have to spend $145 million of their own money, or raise that much from other people? I do not even think JAY ROCKEFELLER could afford that.

The effect of the money, Madam President, is quite clear. Beyond the sheer amount of money is the effect the money has. At the very least, in the eyes of most Americans, the current system makes Congress appear to be for sale to the highest bidder.

A recent Harris Poll shows that 85 percent of the people in this country already think that special interests have more influence than the voters. Eighty-five percent think if you are going to come up against a special interest, Congress is going to listen to the special interest first.

Three-quarters of Congress think that we are largely owned by special interests today. Democracy cannot survive long in such a deeply cynical atmosphere, Madam President. We cannot survive that. It is no secret why voters are not going to the polls anymore. They do not think it makes any difference. "What difference does it make as long as the special interests have the power, between the elections, to decide what we do?"

So, Madam President, if we do nothing at all, problems are going to worsen.

The recent explosion in the so-called "independent expenditure ads" is just another illustration, another example of what we are facing. It is a particularly virulent form of political advertising. In my view, independent expenditures are the "crack cocaine" of negative ads. They are potent, they are deadly, and they are going to kill the system.

They are not tied publicly to any candidate—no reporting, no accountability. We do not even know who is running the ads half the time.

In the last election cycle, Republicans spent $10 million on independent expenditures; Democrats spent $1.5 million. But those figures are nothing compared to what we are going to see in this cycle.

Independent expenditure ads push candidates to the margins. Candidates become bit players in their own races. The debate is defined by whoever has the most money. That is ultimately who dominates the media. We used to interrupt programs for ads. These days, we interrupt the political ads for programs.

The solution? Well, we have been grappling with that question for a long time. There are those who look at all of this and contend that nothing is wrong, that this is America, this is free speech. What is wrong with the system? You ought to be able to go out and raise $145 million if you want to be a U.S. Senator.

The majority leader just said last March, "The system is not broken." Madam President, the majority leader, for whom I have great respect, in my view is wrong. We believe the system is badly broken, and so do the American people. Ninety-two percent think we spend too much money on politics today. Almost 9 in 10, 89 percent want fundamental change in our system.

I have great respect for the sponsors of the legislation. Senators MCCAIN and FEINGOLD have spent a tremendous amount of their time, at the expense of other issues, to fashion a bipartisan piece of legislation that will allow us to move ahead—not solve all the problems—but move the ball ahead.

It is not a perfect solution. It doesn't include the most critical component of reform, in my view, which is overall spending limits. But it gets us off dead center. If it doesn't address central problems, it does address several of the major problems we have in our system today. It bans soft money and regulates independent expenditures. It provides better disclosure, so people have a good idea of who is giving how much to what candidate and why. It limits the ability of the super-rich to buy political office.

Forty-six of forty-seven Senate Democrats already voted for the McCain-Feingold bill last year.

Now, earlier this month, all 45 Democrats in the Senate signed a letter reiterating their support for the legislation. Even after the bill was changed, Democrats would say we still support the McCain-Feingold bill unanimously. Every single man and woman in the U.S. Senate Democratic caucus would walk to the floor this afternoon and vote for it.

We are pleased that four brave Republicans have said they, too, will now support this effort. We only need one more Republican vote. I believe in the end we will have that vote and more.

The McCain-Feingold bill is the least we should do. Democrats will offer amendments to strengthen it. If we were in the majority, we would fight to cap spending. The Buckley versus Valeo decision was only 5–4, and 126 legal scholars have said spending limits are constitutional. But we don't want the perfect to be the enemy of the good. We hope those who disagree with us will resist the temptation to kill this chance with poison pills.

Our goal should be reform, not revenge. If one side or the other tries to use this debate to settle political scores or punish enemies, we will fail. We are confronted with a systemic problem and we need a systemic solution.

Madam President, as I said at the beginning, we spent a lot of time and a lot of money investigating abuses in past election cycles. We have all put out our press releases, expressed our indignation, our shock, and now the American people are waiting. They wonder whether politicians' self-interests will once again override the public good. They wonder if after all the hearings, all the press releases, if after all that we do nothing, what then? They know the system is broken. They know this is going to be our only chance perhaps this Congress to fix it. I hope we can demonstrate that their pessimism, their cynicism, in this case, is not warranted.

I hope we can rise up to what we did last July when Republicans and Democrats, against the odds, decided to come together and balance the budget in the next 6 years and put this economy on track well into the next century. We did it then. We did it with the Chemical Weapons Treaty last spring, and now we can do it again. With the leaders we have from Arizona and Wisconsin, with Democrats and Republicans working together, we can make it happen. This is our chance.

I yield the floor.

The PRESIDING OFFICER (Mr. ALLARD). The Senator from Arizona is recognized.

Mr. MCCAIN. Mr. President, the Senate now begins a debate that will determine whether or not we will take an

action that most Americans are convinced we are utterly incapable of doing—reforming the way we are elected to office. Most Americans believe that Members of Congress have no greater priority than our own reelection. Most Americans believe that every one of us—whether we publicly advocate or publicly oppose campaign finance reform—is working either openly or deceitfully to prevent even the slightest repair to a campaign finance system that they firmly believe is corrupt. Most Americans believe that all of us conspire to hold on to every single political advantage we have, lest we jeopardize our incumbency by a single lost vote. Most Americans believe we will let this Nation pay any price, bear any burden to ensure the success of our personal ambitions—no matter how dear the cost might be to the national interest.

Mr. President, now is the moment when we can begin to persuade the people that they are wrong. Now is the moment when we can show the American people that we take courage from our convictions and not our campaign treasuries. Now is the moment when we can begin to prove that we are—in word and deed—the people's representatives; that we are accountable to all the people who pay our salaries, and not just to those Americans who finance our campaigns. Mr. President, now is the moment when we should take a risk for our country.

I am a conservative, and I believe it is a very healthy thing for Americans to be skeptical about the purposes and practices of public officials and refrain from expecting too much from their Government. Self-reliance is the ethic that made America great, not consigning personal responsibilities to the State.

I would like to think that we conservatives could practice the self-reliance which we so devoutly believe to be a noble public virtue, and rely on our ideals and our integrity to enlist a majority of Americans to our cause, rather than subordinate those ideals to the imperatives of fundraising. I would like to think the justice of our cause, the good sense of our ideas will appeal to a majority of Americans without the need to fund that appeal with obscene amounts of money.

I am a conservative, and I believe in small government. But I do not believe that small government conservatives are chasing an idealized form of anarchy. Government is intended to support our constitutional purposes to "establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare and secure the blessings of liberty to ourselves and our posterity." When the people come to believe that government is so dysfunctional, so corrupt that it no longer serves these ends, basic civil consensus will suffer grave harm and our culture will be fragmented beyond recognition.

I am a conservative, and I believe that a conservative's primary purpose in public life is to give Americans a Government that is less removed in style and substance from the people, and to help restore the public's faith in an America that is greater than the sum of its special interests. That, I contend, is also the purpose of meaningful campaign finance reform.

Mr. President, opponents of campaign finance reform will argue that there is no public hue and cry for reform, despite the fact that more and more public polls show that the people support reform by ever-widening margins. A recent poll commissioned by my own party revealed that the public now considers campaign finance reform to be among the most important issues facing the country.

But no matter, opponents will note that they have stood for reelection and won with their opposition to reform on full public display. Thus, they will argue, the people don't really care about reform. But that is because the people don't believe that either the incumbent opposing reform, or the challenger advocating it, will honestly work to repair this system once he or she has been elected under the rules that govern it. They distrust both of us. They believe that this system is so thoroughly riddled with financial temptations that it corrupts us all.

The opponents will argue the people are content. I will argue that the people are alienated, and that this explains why fewer and fewer of them even bother to vote.

This problem should motivate all public officials to repair both the appearance and the reality of government corruption. Whether great numbers of elected officials are, in fact, bribed by campaign contributors to cast votes contrary to the national interest is not the single standard for determining the need for reform. Although, it would be hard to find much legislation enacted by any Congress that did not contain one or more obscure provision that served no legitimate national or even local interest, but which was intended only as a reward for a generous campaign supporter.

Mr. President, I do not concede that all politicians are corrupt. I entered politics with some of the same expectations that I had when I was commissioned an ensign in the United States Navy. First among them was my belief that serving my country was an honor, indeed, the most honorable life an American could lead.

I believe that still. Regrettably, many Americans do not.

I am honored to serve in the company of many good men and women whose public and private virtue deserves to be above reproach. But we are reproached, Mr. President, because the system in which we are elected to this great institution is so awash in money that is taken so disproportionately from special interests that the people cannot help but suspect that our service is tainted by it.

If most Americans feel they have sufficient cause to doubt our integrity, then we must seek all reasonable means to persuade them otherwise. Reform of our campaign finance laws is indispensable to that end.

As long as the wealthiest of Americans or the richest organized interests can make six figure contributions to political parties and gain the special access to power such generosity confers on the donor, most Americans will dismiss even the most virtuous politician's claim of fairness and patriotism.

And who can blame them when they are overwhelmed by appearance that political representation in America is measured on a sliding scale. The more you give, the more effectively you can petition your government. If a Native American tribe wants to recover their ancestral lands—pay up, the Government will hear you. If you want to build a pipeline across Central Asia—pay up, the President will discuss it with you. If you want to peddle your invention to the Government—pay up, you get an audience with Government purchasing agents. But if all you pay is your taxes, and you want your elected representatives to help you seek redress for some wrong, send us a letter. We'll send you one back.

Mr. President, this a dark view of our profession, and I do not believe it fairly represents us. I believe such instances of influence peddling are, thankfully, an exception to the honest government that most public officials work hard to provide this Nation. But we cannot blame the people for thinking otherwise when they are treated to the spectacle of influence and access peddling which assaulted them in the last election; when they are told repeatedly that campaign contributions are the only means through which they can petition their Government; the politicians are selling subway tokens to the government gravy train.

Mr. President, the opponents of reform will tell you that there isn't too much money in politics. They will argue there's not enough. They will observe that more money is spent to advertise toothpaste and yogurt than is spent on our elections.

I don't care, Mr. President. We should not concern ourselves with the costs of toothpaste and yogurt marketing. We aren't selling those commodities to the people. We are offering our integrity and our principles, and the means we use to market them should not cause the consumer to doubt the value of the product.

Mr. President, Senator FEINGOLD, Senator THOMPSON, Senator COLLINS, and the other sponsors of this legislation have but one purpose—to enact

fair, bipartisan campaign reform that seeks no special advantage for one party or another, but only seeks to find common ground upon which we can all begin to restore the people's faith in the integrity of their Government.

Each of us may have differences as to what constitutes the best reform, but we have subordinated those differences to the common good, in the hope that we might enact those basic reforms which all Members of both parties could agree on.

It is not perfect reform. There is no perfect reform. We have tried to exclude any provision which would be viewed as placing one party or another at a disadvantage. Our purpose is to pass the best, most balanced, most important reforms we can. All we ask of our colleagues is that they approach this debate with the same purpose in mind.

Mr. President, on Monday, we will offer a substitute amendment to S. 25, which represents a substantial change to the original McCain-Feingold Campaign Finance Reform Act, but at the same time, maintains the core—the heart—of the original bill.

I strongly believe in all the provisions of the original bill. In fact, as the debate proceeds, we intend to offer a series of amendments that would restore the component parts of our original bill. We intend to proceed to those amendments in good time.

For now, I would like to outline for my colleagues the contents of our substitute.

Before I do, I want to stress the purposes upon which this legislation is premised:

First, for reform to become law, it must be bipartisan. This is a bipartisan bill. It is a bill that affects both parties fairly and equally.

Second, genuine reform must lessen the amount of money in politics. Spending on campaigns in current, inflation-adjusted dollars has risen dramatically. In constant dollars, the amount spent on House and Senate races in 1976 was $318 million. By 1986, the total had risen to $645 million, and in 1996, to $765 million. If you include the Presidential campaigns, over a billion dollars was spent in the last election. And as the need for money escalates, the influence of those who give it rises exponentially.

Third, reform must level the playing field between challengers and incumbents. Our bill achieves this goal by recognizing the fact that incumbents almost always raise more money than challengers, and as a general rule, the candidate with the most money wins.

TITLE I

Title I of the modified bill seeks to reduce the influence of special interest money in campaigns by banning the use of soft money in federal races. Soft money would be allowed for State parties in accordance with State law.

In the first half of 1997 alone, a record $34 million of soft money flowed to political coffers. That staggering amount represents a 250 percent increase in soft money contributions over the same period in 1993.

We do differentiate between State and Federal activities. Soft money contributed to State parties could be used for any and all State candidate activities. Soft money given to the State could be used for any State electioneering activity.

If a State allows soft money to be used in a gubernatorial race, a State senate race, or the local sheriff's race, it would still be allowed under this bill. However, if a state party uses soft money to indirectly influence a Federal race, such activity would be banned 120 days prior to the general election. Voter registration and general campaign advertising would be allowed except in the last 120 days prior to the election.

To compensate for the loss of soft money, our legislation doubles the limit that individuals can give to State parties in hard money. The aggregate contribution limit in hard money that individuals could donate would rise to $30,000.

Our soft money ban would serve two purposes. First, it would reduce the amount of money in campaigns. Second, it would cause candidates to spend more time campaigning for small dollar donations from people back home.

TITLE II

Title II of the modified McCain-Feingold seeks to limit the role of independent expenditures in political campaigns. The bill does not ban, curb, or control real, independent, non-coordinated expenditures in any manner. Any genuinely independent expenditure made to advocate any cause which does not expressly advocate the election or the defeat of a candidate is fully allowed.

The bill does responsibly expand the definition of express advocacy, which the courts have ruled Congress may do. In fact, the current standards for express advocacy were derived from the Buckley versus Valeo case. As we all know, that Supreme Court case stated that campaign spending cannot be mandatorily capped. This bill is fully consistent with the Buckley decision, and I would ask unanimous consent that a letter signed by 126 constitutional scholars which testifies to the constitutionality of McCain-Feingold be printed in the RECORD at this time.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BRENNAN CENTER FOR JUSTICE,
New York, NY, September 22, 1997.

Senator JOHN MCCAIN,
Senator RUSSELL FEINGOLD,
U.S. Senate, Washington, DC.

DEAR SENATORS MCCAIN AND FEINGOLD: We are academics who have studied and written about the First Amendment to the United States Constitution. We submit this letter to respond to a series of recent public challenges to two components of S. 25, the McCain-Feingold bill. Critics have argued that it is unconstitutional to close the so-called "soft money loophole" by placing restrictions on the source and amount of campaign contributions to political parties. Critics have also argued that it is unconstitutional to offer candidates benefits, such as reduced broadcasting rates, in return for their commitment to cap campaign spending. We are deeply committed to the principles underlying the First Amendment and believe strongly in preserving free speech and association in our society, especially in the realm of politics. We are not all of the same mind on how best to address the problems of money and politics; indeed, we do not all agree on the constitutionality of various provisions of the McCain-Feingold bill itself. Nor are we endorsing every aspect of the bill's soft money and voluntary spending limits provisions. We all agree, however, that the current debate on the merits of campaign finance reform is being sidetracked by the argument that the Constitution stands in the way of a ban on unlimited contributions to political parties and a voluntary spending limits scheme based on offering inducements such as reduced media time.

I. LIMITS ON ENORMOUS CAMPAIGN CONTRIBUTIONS TO POLITICAL PARTIES FROM CORPORATIONS, LABOR UNIONS, AND WEALTHY CONTRIBUTORS ARE CONSTITUTIONAL

To prevent corruption and the appearance of corruption, federal law imposes limits on the source and amount of money that can be given to candidates and political parties "in connection with" federal elections. The money raised under these strictures is commonly referred to as "hard money." Since 1907, federal law has prohibited corporations from making hard money contributions to candidates or political parties. See 2 U.S.C. §441b(a) (current codification). In 1947, that ban was extended to prohibit union contributions as well. Id. Individuals, too, are subject to restrictions in their giving of money to influence federal elections. The Federal Election Campaign Act ("FECA") limits an individual's contributions to (1) $1,000 per election to a federal candidate; (2) $20,000 per year to national political party committees; and (3) $5,000 per year to any other political committee, such as a PAC or a state political party committee. 2 U.S.C. §441a(a)(1). Individuals are also subject to a $25,000 annual limit on the total of all such contributions. Id. §441a(a)(3).

The soft money loophole was created not by Congress, but by a Federal Election Commission ("FEC") ruling in 1978 that opened a seemingly modest door to allow non-regulated contributions to political parties, so long as the money was used for grassroots campaign activity, such as registering voters and get-out-the-vote efforts. These unregulated contributions are known as "soft money" to distinguish them from the hard money raised under FECA's strict limits. In the years since the FEC's ruling, this modest opening has turned into an enormous loophole that threatens the integrity of the regulatory system. In the last presidential elections, soft money contributions soared to the unprecedented figure of $263 million. It was not merely the total amount of soft money contributions that was unprecedented, but the size of the contributions as well, with donors being asked to give amounts $100,000, $250,000 or more to gain preferred access to

federal officials. Moreover, the soft money raised is, for the most part, not being spent to bolster party grassroots organizing. Rather, the funds are often solicited by federal candidates and used for media advertising clearly intended to influence federal elections. In sum, soft money has become an end run around the campaign contribution limits, creating a corrupt system in which monied interests appear to buy access to, and inappropriate influence with, elected officials.

The McCain-Feingold bill would ban soft money contributions to national political parties, by requiring that all contributions to national parties be subject to FECA's hard money restrictions. The bill also would bar federal officeholders and candidates for such offices from soliciting, receiving, or spending soft money and would prohibit state and local political parties from spending soft money during a federal election year for any activity that might affect a federal election (with exceptions for specified activities that are less likely to impact on federal elections).

We believe that such restrictions are constitutional. The soft money loophole has raised the specter of corruption stemming from large contributions (and those from prohibited sources) that led Congress to enact the federal contribution limits in the first place. In Buckley v. Valeo, the Supreme Court held that the government has a compelling interest in combating the appearance and reality of corruption, an interest that justifies restricting large campaign contributions in federal elections. 424 U.S. 1, 23–29 (1976). Significantly, the Court upheld the $25,000 annual limit on an individual's total contributions in connection with federal elections. Id. at 26–29, 38. In later cases, the Court rejected the argument that corporations have a right to use their general treasury funds to influence elections. See, e.g., Austin v. Michigan Chamber of Commerce, 494 U.S. 652 (1990). Under Buckley and its progeny, Congress clearly possesses power to close the soft money loophole by restricting the source and size of contributions to political parties, just as it does for contributions to candidates, for use in connection with federal elections.

Moreover, Congress has the power to regulate the source of the money used for expenditures by state and local parties during federal election years when such expenditures are used to influence federal elections. The power of Congress to regulate federal elections to prevent fraud and corruption includes the power to regulate conduct which, although directed at state or local elections, also has an impact on federal races. During a federal election year, a state or local political party's voter registration or get-out-the-vote drive will have an effect on federal elections. Accordingly, Congress may require that during a federal election year state and local parties' expenditures for such activities be made from funds raised in compliance with FECA so as not to undermine the limits therein.

Any suggestion that the recent Supreme Court decision in Colorado Republican Federal Campaign Committee v. FEC, 116 S. Ct. 2309 (1996), casts doubt on the constitutionality of a soft money ban is flatly wrong. Colorado Republican did not address the constitutionality of banning soft money contributions, but rather the expenditures by political parties of hard money, that is, money raised in accordance with FECA's limits. Indeed, the Court noted that it "could understand how Congress, were it to conclude that the potential for evasion of the individual contribution limits was a serious matter, might decide to change the statute's limitations on contributions to political parties." Id. at 2316.

In fact, the most relevant Supreme Court decision is not Colorado Republican, but Austin v. Michigan Chamber of Commerce, in which the Supreme Court held that corporations can be walled off from the electoral process by forbidding both contributions and independent expenditures from general corporate treasuries. 494 U.S. at 657–61. Surely, the law cannot be that Congress has the power to prevent corporations from giving money directly to a candidate, or from expending money on behalf of a candidate, but lacks the power to prevent them from pouring unlimited funds into a candidate's political party in order to buy preferred access to him after the election.

Accordingly, closing the loophole for soft money contributions is in line with the long-standing and constitutional ban on corporate and union contributions in federal elections and with limits on the size of individuals' contributions to amounts that are not corrupting.

II. EFFORTS TO PERSUADE CANDIDATES TO LIMIT CAMPAIGN SPENDING VOLUNTARILY BY PROVIDING THEM WITH INDUCEMENTS LIKE FREE TELEVISION TIME ARE CONSTITUTIONAL

The McCain-Feingold bill would also invite candidates to limit campaign spending in return for free broadcast time and reduced broadcast and mailing rates. In Buckley, the Court explicitly declared that "Congress . . . may condition acceptance of public funds on an agreement by the candidate to abide by specified expenditure limitations." 424 U.S. at 56 n.65. The Court explained: "Just as a candidate may voluntarily limit the size of the contributions he chooses to accept, he may decide to forgo private fundraising and accept public funding." Id.

That was exactly the Buckley Court's approach when it upheld the constitutionality of the campaign subsidies to Presidential candidates in return for a promise to limit campaign spending. At the time, the subsidy to Presidential nominees was $20 million, in return for which Presidential candidates agreed to cap expenditures at that amount and raise no private funds at all. The subsidy is now worth over $60 million and no Presidential nominee of a major party has ever turned down the subsidy.

In effect, the critics argue that virtually any inducement offered to a candidate to persuade her to limit campaign spending is unconstitutional as a form of indirect "coercion." But the Buckley Court clearly distinguished between inducements designed to elicit a voluntary decision to limit spending and coercive mandates that impose involuntary spending ceilings. If giving a Presidential candidate a $60 million subsidy is a constitutional inducement, surely providing free television time and reduced postal rates falls into the same category of acceptable inducement. The lesson from Buckley is that merely because a deal is too good to pass up does not render it unconstitutionally "coercive."

Respectfully submitted,

RONALD DWORKIN,
Professor of Jurisprudence and Fellow of University College at Oxford University;
Frank H. Sommer, Professor of Law, New York University School of Law.

BURT NEUBORNE,
John Norton Pomeroy Professor of Law, Legal Director, Brennan Center for Justice, New York University School of Law.

Mr. McCAIN. Our bill establishes a so-called bright line test 60 days out from an election. Any independent expenditure that falls within that 60-day window could not use a candidate's name or likeness. Ads could run which advocate any number of causes. Pro-life ads, pro-choice ads, anti-labor ads, pro-wilderness ads, pro-Republican Party ads, pro-Democrat Party ads—all could be aired in the last 60 days. However, ads mentioning the candidates could not.

If soft money is banned to political parties, money will inevitably flow to independent campaign organizations. These groups run ads that even the candidates who benefit from them often disapprove of. Further, these ads are almost always negative attacks on a candidate and do little to further healthy political debate. As we all know, they are usually intended to defeat a candidate, and are often, in reality, coordinated with the campaign of that candidate's opponent. They are not genuinely independent, nor are they strictly concerned with issue advocacy.

Our bill explicitly protects voter guides. I believe this is a very important point. Some groups have unfairly criticized our original bill when they argued that it prohibited the publication and distribution of voter guides and voting records. While I view those arguments as misinformation, the sponsors have, nevertheless, worked to make our legislation even more explicit in its protection of such activities.

Let me stress—so no one can have any grounds to assume otherwise—this legislation completely protects voter guides. I will read the provision addressing this matter in the hope that it will allay any and all concerns about voter guides.

(C) VOTING RECORD AND VOTER GUIDE EXEMPTION.—The term express advocacy shall not include a printed communication which is limited solely to presenting information in an educational manner about the voting record or positions on campaign issues of two or more candidates and which:

(i) is not made in coordination with a candidate, or political party or agency thereof;

(ii) in the case of a voter guide based on a questionnaire, all candidates for a particular seat or office have been provided with an equal opportunity to respond;

(iii) gives no candidate any greater prominence than any other candidate; and

(iv) does not contain a phrase such as "vote for," "re-elect," "support," "cast your ballot for," (name of candidate) for Congress," "(name of candidate) in 1997," "vote against," "defeat," or "reject" or a campaign slogan or words which in context can have no reasonable meaning other than to

urge the election or defeat of one or more candidates.

Mr. President, I hope this clear and concise language dispels any rumors that this modified legislation will adversely affect voter guides.

TITLE III

Title III of the modified McCain-Feingold bill mandates greater disclosure. Our bill mandates that all FEC filings documenting campaign receipts and expenditures be made electronically, and that they then be made accessible to the public on the Internet not later than 24 hours after the information is received by the Federal Election Commission.

Additionally, current law allows for campaigns to make a best effort to obtain the name, address, and occupation information of the donors of contributions above $200. Our bill would eliminate that waiver. If a campaign cannot obtain the address and occupation of a donor, then the donation cannot and should not be accepted.

The bill also mandates random audits of campaigns. Such audits would only occur after an affirmative vote of at least four of the six members of the FEC. This will prevent the use of audits as a purely partisan attack.

The bill also mandates that campaigns seek to receive name, address, and employer information for contributions over $50. Such information will enable the public to have a better knowledge of all who give to political campaigns.

TITLE IV

Title IV of the modified bill seeks to encourage individuals to limit the amount of personal money they spend on their own campaigns. If an individual voluntarily elects to limit the amount of money he or she spends in his or her own race to $50,000, then the national parties are able to use funds known as coordinated expenditures to aid such candidates. If candidates refuse to limit their own personal spending, then the parties are prohibited from contributing coordinated funds to the candidate.

This provision serves to limit the advantages that wealthy candidates enjoy, and strengthen the party system by encouraging candidates to work more closely with the parties.

TITLE V

Last, the bill codifies the Beck decision. The Beck decision states that a nonunion employee working in a closed shop union workplace, and who is required to contribute funds to the union, can request and be assured that his or her money will not be used for political purposes.

I personally support much stronger language. I believe that no individual—a union member or not—should be required to contribute to political activities. However, I recognize that stronger language would invite a filibuster of this bill and would doom its final passage. As a result, I will fight to preserve the delicately balanced language of the bill, and will oppose amendments offered on both sides of the aisle that would result in killing campaign finance reform.

Mr. President, what I have outlined is a basic summary of our modifications to the original bill. I have heard many colleagues say that they could not support S. 25, the original McCain-Feingold bill for a wide variety of reasons. Some opposed spending limits. Others opposed free or reduced rate broadcast time. Others could not live with postal subsidies to candidates. Others complained that nothing was being done about labor.

I hope that all my colleagues who raised such concerns will take a new and openminded look at this bill. Gone are spending limits. Gone is free broadcast time. Gone are reduced rate TV time and postal subsidies. And we have sought to address the problem of undue influence being exercised by labor unions. All the excuses of the past are gone.

Mr. President, on Monday I will review the provisions of the substitute again and will lay the modified bill before the Senate. I look forward to discussing the specifics of the measure at that time.

Mr. President, the sponsors of this legislation claim no exclusive right to campaign finance reform. We offer good, fair, necessary reform, but certainly not a perfect remedy. We welcome good faith amendments intended to improve the legislation.

But I beg my colleagues not to propose amendments designed to kill this bill by provoking a filibuster from one party or the other. The sponsors of this legislation intend to have votes on all relevant issues involved in campaign finance reform, and we will use every resource we have under Senate rules to ensure that we do.

If we cannot agree on every aspect of reform; if we have differences about what constitutes genuine and necessary reform, and we hold those differences honestly—so be it. Let us try to come to terms with those differences fairly. Let us find common ground and work together to adopt those basic reforms we can all agree on. That is what the sponsors of this legislation have attempted to do, and we welcome anyone's help to improve upon our proposal as long as that help is sincere and intended to reach the common goal of genuine campaign finance reform.

Mr. President, when I was a young man, a long time ago, I would respond aggressively and often irresponsibly to anyone who questioned my honor. I am not a young man now, and while I have been known to occasionally forget the discretion which is expected of a person of my years and station, I lack both the will and the ability to address attacks upon my honor in the manner I once addressed them. I now prefer to clear up peacefully the misunderstandings that may cause someone to question my honor. That is the task which I believe the sponsors of McCain-Feingold have undertaken.

I remember how zealously a boy would attend the needs of his self-respect. But as I grew older, and as the challenges to my self-respect grew more varied, I was surprised to discover that while my sense of honor had matured, its defense mattered even more to me than it did when I believed that honor was such a vulnerable thing that any empty challenge threatened it.

Now, I find myself faced with a popular challenge to the honor of a profession of which I am a willing and proud member. It is imperative that we do all we can to address the causes of the people's distrust.

Meaningful campaign finance reform will not cure public cynicism about modern politics. Nor will it completely free politics from influence peddling. But, coupled with other reforms, it may prevent cynicism from becoming utter alienation, as Americans begin to see that their elected representatives value their reputations more than their incumbency. I hope it would even encourage more Americans to seek public office, not for the honorifics bestowed on election winners, but for the honor of serving a great nation.

Mr. President, we must not fear to take risks for our country. We must not value the privileges of power so highly that we use our power unfairly, and subordinate the country's interests to our own comfort. We may think that we trade on America's good name to stay in office and shine the luster of our professional reputations, but the public's growing disdain for us is a stain upon our honor. And that is an injury which none of us should suffer quietly.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. FEINGOLD. Mr. President, I want to begin by once again expressing my admiration and gratitude to the senior Senator from Arizona for his extraordinary leadership on the issue of campaign finance reform. This effort has already been a long and difficult one, but it is all about his courage and his exceptional commitment to the good of this country. He is in a more difficult situation than I am in as a member of the majority party. But the fact is he is one of the greatest Republicans of our time. And they are lucky to have him.

Mr. President, I also want to thank Senator LOTT, the majority leader, for helping us get this bill up to the floor. And I also appreciate the fact that he took some time this morning to say a little bit about how he got here; about what it was like for him to try to be elected to the U.S. Senate.

I think those kinds of stories and accounts are going to be very important as this debate proceeds because we need to tell the American people just what is involved in running for the Congress these days. We need to tell them the truth about how many people are truly invited to participate in a process that is so awash in money that almost every American must feel like they are not invited to participate.

I also want to, of course, especially thank my leader, Senator DASCHLE, not only for his powerful statement on behalf of our bill but also for his leadership in working diligently to make sure that all 45 members of the Senate Democratic caucus are in support of the McCain-Feingold bill; a bill that has been initiated by a member of the other party. That is a great tribute to him and to the cause of bipartisanship in favor of campaign finance reform.

I also want to do something that may not be terribly popular out here as the debate goes on. I want to thank the President of the United States, because the fact is he has been diligent, consistent, and persistent in support of this particular piece of legislation. He has offered his personal help. He has offered the help of his staff. Before it is finished, before we claim our final victory on this issue, I am going to certainly repeat the fact that President Clinton has been fighting for reform.

Mr. President, it was just over 2 years ago that the Senator from Arizona and the Senator from Tennessee, Senator THOMPSON, and I began this long, sometimes tortuous, journey on the path to campaign finance reform. In fact, it was September 1995 when we first introduced our bipartisan reform proposal, a proposal that is centered on the premise that it is imperative that we reduce the role and influence of money on our electoral system.

For 2 years, though, Mr. President, the Senator from Arizona and I have been stymied by opponents of reform who desperately cling to the absurd notion that the more money you pour into the political system that our democracy somehow gets better. Sometimes the comparison is made that we spend as much money on elections as we spend on potato chips. I don't know what this has to do with the question of political reform but it is an argument we are treated to anyway. Of course, no one outside the Washington Beltway believes in that argument. No one outside of this town thinks we need more money spent on the political process. In fact, if you talk to any average American they will tell you they are just horrified by the amount of money that is spent on our electoral system. But they are tired of excessive spending. They are tired of the onslaught of negative attack ads all throughout a campaign season. And, yet, they are even more tired—they are sick and tired—of the ongoing revelations of abuse and wrongdoing related to elected officials and campaign fundraising.

Nonetheless, our opponents, such as our colleague and our friend, the junior colleague from Kentucky, continue to argue that more campaign spending somehow strengthens democracy and expands citizen participation. Of course, I disagree with him on this point. And so do the facts.

The facts say this: The 1996 election speaks for itself. In 1996, candidates and parties spent in excess of $2 billion. That was an all-time record amount of campaign spending.

In a year where we spent more money on Federal elections than in any other year in our history, let's ask the question: Was democracy strengthened? Did we expand citizen participation? We all know the answer. Mr. President, we did not. Almost a year after the fact we are still feeling the fallout from the 1996 elections. After months of hearings by the Governmental Affairs Committee, led by the Senator from Tennessee, it is clear that we had widespread abuse and wrongdoing on both sides of the aisle. We have had congressional investigations, a Justice Department investigation, an FBI investigation, and even a CIA investigation, all relating to the way we elected our representatives.

That doesn't sound like the strengthening of democracy to me.

As for participation, we had the lowest voter turnout in 72 years—a clear sign that the electorate was not exactly energized by all this campaign spending. We know the truth. They were turned off.

Perhaps most disheartening, our campaign finance system just lacks any sense of fairness anymore.

In 1996, incumbents outspent challengers by ratios of 2 to 1 and 3 to 1, and to no surprise. The reelection rate for Members of the House and Senate remained well above the 90 percent level.

As the Senator from Arizona has said, the time for reform is right now.

Over the course of the last several months, the Senator from Arizona and I have had two clear consistent messages. The first was that our preference was to work with the majority leader in scheduling debate on bipartisan reform legislation. Thankfully for the kind of cooperation that serves this body very well, we have achieved that.

Of course, the majority leader has already begun the debate. He says we should not shift the subject. He wants to focus instead on the White House. But I think what we ought to focus on is the whole system. We ought to focus on the question of whether this system has anything to do with the principle that everybody's vote should cost the same.

We are already hearing talk about filibusters—about ways to make sure the legislation does not pass.

But I do want to say that I am very impressed with the way in which this bill came to the floor, and I am grateful.

Our first choice always was the cooperative approach.

Mr. President, our second message was one that the Senator from Arizona just made very plain once again. That is our willingness and continued willingness to make the changes that need to be made to do the right thing.

We demonstrated this willingness to compromise when we worked with the junior Senator from Maine who suggested a number of changes to our bill that I think actually strengthen the bill. I think there may be amendments out on the floor by either party that can make the bill stronger, and a better reform bill.

That is the spirit in which Senator MCCAIN and I come to the floor. We know that this bill isn't perfect. It is not the ideal Feingold bill. It is not the ideal McCain bill. That is how we got together—by compromises and trying to come up with a reasonable passage.

Prior to the August recess, the Senator from Arizona and I stood here on the Senate floor with some of our colleagues and expressed the hope that this debate would occur. We also said that if we were unsuccessful with that effort we would bring the legislation to the floor in September.

Mr. President, for opponents of campaign finance reform, for those Washington interest groups—whom I like to refer to as "the Washington gatekeepers"—who joined with the Senator from Kentucky in opposing any changes to our current system, it is September. It is a Friday in September. And we hope for all of those who have declared this bill dead over and over again that today will be remembered for them as "Black Friday."

For the rest of the country, for the 90 percent of the Americans who believe we should be spending less on our elections, for the underfunded challengers who are consistently blown out of the water by well-entrenched incumbents, and for those who believe that the first amendment is a right belonging to all Americans, not just a commodity for the wealthy few, I hope this Friday will be remembered as the day we took the first step in providing with this reform proposal the first real opportunity to fundamentally change the nature of our political system.

The base package of reforms the Senator from Arizona and I have pieced together represents a solid first step on the path to more comprehensive reform.

As he has already highlighted, the package will ban so-called soft money. That means that the Washington soft money machine that has fostered the multihundred-thousand dollar contribution from corporations and labor unions and wealthy individuals will be

shut down forever. The American people won't have to hear about outrageous levels of contributions that they couldn't even dream of giving even once in their lives.

The base proposal also modifies the current statutory definition of "express advocacy." It does not affect issue advocacy. It redefines in an appropriate manner "express advocacy" to provide a clear distinction between expenditures for communications used to advocate candidates and, on the other hand, those used to advocate issues. And that is all it does.

It does not do, as the majority leader has suggested, ban billboards. Of course, it doesn't. It doesn't touch voter guides. We explicitly provide that voter guides are permitted. And it doesn't ban one single television or radio ad, ever. It simply does not do that. And we will repeat that statement as often as it needs to be repeated.

Candidate-related expenditures will be subject to current Federal election laws and disclosure requirements. Of course they will. But that is all.

No form of expression will be prohibited.

That statement is simply inaccurate.

The proposal will require greater disclosure of campaign contributions and expenditures, and provide the Federal Election Commission with the tools to better enforce our campaign finance laws.

It includes a strict codification of what is known as the Supreme Court's Beck decision, thus requiring labor unions to notify nonunion members that they are entitled to request a reduction of the portion of their agency fees used for political purposes. Of course, I find it laughable that anyone could believe that the central problem in the campaign finance system is an issue of union dues. That is laughable on its face.

What about corporations? What about all of the other special interest groups? Does anyone really believe that labor is the only problem? Nonetheless, we try to reasonably and appropriately address this issue rather than ignoring it.

Finally, the base package includes a provision that for the first time encourages candidates to abide by some kind of a voluntary fundraising restriction. That is a significant step.

As my colleagues know, the Supreme Court ruled in the decision in Buckley versus Valeo that it is fully consistent with the first amendment to offer candidates incentives to encourage them to voluntarily limit their campaign spending.

In fact, the Buckley Court specifically upheld the Presidential system that we have today which offers public financing in exchange for candidates agreeing to voluntary spending limits.

The Senator from Arizona and I have added a provision to this base package that tracks that concept.

Under current law, Mr. President, political parties are permitted to make expenditures in coordination with the Senate candidate up to a certain limit. That limit is based on the size of each State.

In California, for example, the parties are each permitted to spend about $2.8 million in coordination with the candidate.

Our proposal provides that candidates who decide to pour a great deal of their own personal funds into a campaign would simply no longer be entitled to those party expenditures on their behalf.

Specifically, if a candidate agrees to limit their personal spending to less than $50,000 per election, they will continue to receive help from their party committees. If they don't, they just won't receive that money.

It is a basic concept. If you want to pour millions and millions of dollars of your personal money into a campaign to try to buy a Senate seat, you should be able to do so.

We don't disagree with Buckley versus Valeo on that point. We don't disagree. We just do not think you should get some kind of a benefit, some kind of a privilege after you have done so.

It is very important to recognize that distinction.

That is what Buckley said, and that is what this proposal reflects. We should not reward such candidates. We should not give them the equal benefit with their opponent who is not a millionaire and who should be able to receive that.

So, Mr. President, that is the outline of our base package. It is modest reform. It is a strong step in the right direction, and it provides us with the vehicle to move campaign finance reform forward.

But there is another piece to our effort. The base package makes several important reforms.

But the one thing it does not do enough of is doing something about the position of incumbents and challengers in financing their campaigns. We know what the problems are. Incumbents consistently blow away challengers who lack the resources to run their campaign.

The flow of campaign cash through the corridors of Congress undermines public confidence and trust in this institution. Officeholders spend more time panhandling for campaign contributions sometimes than they do on the Nation's legislative business.

That is why the Senator from Arizona and I are announcing our intention to offer a McCain-Feingold amendment to our own vehicle. Why? Because we want some accountability on this issue. We want to see that the Members of the U.S. Senate are prepared to stand up in the public spotlight and tell the American people whether they are willing or unwilling to change a system that is so clearly rigged in their own favor.

Mr. President, that road is going to be a true test of reform. That will be one of the votes that tells us how serious the U.S. Senate is with fundamentally changing a political system that has spiraled out of control, and has led to so many charges of abuse and undue influence; and, yes, Mr. President, corruption.

Our amendment will again build on what the Supreme Court said was permissible in the Buckley decision. The amendment offers an incentive to candidates to encourage them voluntarily to limit their fundraising. The incentive in this case is a half-priced discount on television time. And that, of course, would have more to do with reducing the cost of campaigns than anything else.

Candidates who wish to receive the discounted television time would have to agree to three simple rules. First, they would have to agree to raise a majority of their campaign funds from people who live in their own State. That seems reasonable. Second, they must agree to raise no more than 25 percent of their total campaign contributions from political action committees. Finally, they have to agree again to spend no more than $50,000 of their own personal money on a campaign.

By doing so, Mr. President, we would provide candidates, for the first time ever, with the opportunity to run a competitive campaign without having to raise and spend millions of dollars. It tries to level the playing field. It is fair to both parties, and that provision, that amendment that we will offer, is clearly constitutional.

There will be a vote on that amendment, and we will find out if Senators favor or support changing the rules that have so clearly fallen apart in recent years. I look forward to that debate. I look forward to the other amendments that will be offered that could well improve this bill even more.

So before concluding, I do want to again thank my colleague from Arizona, but I want to make two points, two points that I think will be something of a road map to what will happen in the next few days.

First, there is going to be, if you have a scorecard, two different groups out on the floor. One group of Senators is going to try to force a filibuster. They are going to offer amendments and use procedural tactics in any way they can to force either the Democrats or the Republicans to filibuster. The majority leader already said today, with great pride, that he would get the other side to filibuster. He has already announced that that is his goal. But there is another group of Senators, Mr. President. That is the bipartisan group. That is not the filibustering

group. That is the group of Senators from both parties who are working together to avoid a filibuster and reform our system. Keep your scorecard. There are two very clear groups—the filibusterers and the bipartisan Senators. That is where we are in the difference on this issue.

The second final point I want to make, Mr. President, is that not only are there two groups of Senators on this issue—and we will find out exactly who they are—there are also two different visions of our democracy represented in the Senate. One vision is the vision of a representative democracy. The other vision is what I like to call a vision, an acceptance of something that is more akin to a corporate democracy. We have become a corporate democracy.

What do I mean by that? When I was 13 years old, I received a gift of a share of stock. One of our relatives wanted to teach me how the stock market worked and how our economy worked. I think it was maybe a $13 stock in the Parker Pen Co., one of our great prides in Wisconsin and in my hometown of Janesville. My father told me that in addition to owning a share of that stock, I would have a vote at the stockholders' meeting. And being already interested in politics, I thought: Great. When is the election? When is the stockholders' meeting? I want to go vote. And he laughed. He said, "Well, I better tell you something. The number of votes you get depends on how many shares you have. You don't have the same vote and the same power as everyone else because it is a corporation. It is based on how much money you are able to put into the corporation, and so you could go to the shareholders' meeting but your vote wouldn't count very much."

Mr. President, sadly, that reminds me more of America today than ever before. This is not a democracy anymore of one person-one vote. If we keep this system of $300,000, $400,000 contributions and access to politicians based on contributions, we will have sealed this as a corporate democracy, not a representative democracy.

That is the question before us. Will we abandon all the other Americans who simply cannot afford the cash to play the game? We have to reject the corporate democracy, Mr. President. We have to return to a representative democracy. That is what this country is all about. That is what this institution is all about. Fortunately, in the coming days, we will find out who is on which side.

Mr. President, I yield the floor.

Mr. BENNETT addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. BENNETT. Mr. President, I listened with interest to the opening statements made on this issue. I appreciate the sincerity of those who have made them. I wish to make this first personal point before I make some additional points. The Senator from Arizona said that there is only one purpose here, and that purpose is to enact fair and effective campaign finance reform. I wish to make it very clear that I accept that purpose on behalf of the Senator from Arizona, the Senator from Wisconsin, the Senator from Tennessee, or anyone else involved in this matter. I do not challenge for one moment their sincerity. Certainly we cannot challenge their earnestness. Certainly we cannot challenge their motives. I want it clearly understood that I have that kind of feeling about what they are doing.

I want it equally understood that I think they are fundamentally wrong and that, in their effort to get to what they consider to be a sincere and proper goal, they could do irreparable damage to our Nation and to the fundamental freedoms about which I care just as passionately as they do. I hope they will grant to me the same sense of honor and integrity that I am more than willing to grant to them, and that we will not get into the name-calling business of saying, if you oppose McCain-Feingold, you are somehow opposed to anything that is true and beautiful and worthwhile.

I believe McCain-Feingold cuts at some of the most fundamental freedoms we have in this country, and I am going to outline that. I want everybody to understand that I am not acting because I believe something sinister or improper is going on here.

As to the second point, before I go into some of the specifics I want to talk about, I would say to Senator FEINGOLD, I think you ought to meet Senator MCCAIN. From the notes I have made in this morning's debate, Senator FEINGOLD said, if I quote him correctly, "No form of expression will be prohibited," just after Senator MCCAIN said, "No ad mentioning the name of a candidate will be allowed in the last 60 days of the campaign."

I do not find those two statements coinciding with each other. Indeed, the Senator from Arizona, in his summary of the things that would be allowed and would not be allowed, gave us a whole list of that which would be allowed to take place and that which would be prevented. To me, we are debating ways in which Government power will be marshaled to control legitimate speech, and we are saying, with all of the intensity of middle-aged theologians debating how many angels can dance on the head of a pin, that this will be allowed and that will not; this is permissive but that is not; 60 days is legitimate but 61 is not, back and forth, in and out on all of these particulars. We are going to marshal the full power of the Federal Government of the United States of America and focus that power like a laser beam on this particular ad, this particular contribution, this particular activity, all in the name of campaign finance reform.

Mr. President, to me marshaling Government power to regulate what can and cannot be said in another context is called censorship. And marshaling the power of the Federal Government to censor political speech is not an activity in which I would lightly engage.

The statement was made by the minority leader that Buckley versus Valeo was a close call; it was only 5 to 4. On the issue of whether or not spending money in campaigns represented protected speech under the first amendment, Buckley versus Valeo was 9 to nothing. And in every subsequent decision from that time forward, the Court has reemphasized that. Let us understand that. We are talking about the most fundamental political right that we have in this country, the right of free debate and speech in a political campaign. I want to lay that down as the fundamental predicate, when we get into the details of this, when we argue with the Senator from Arizona about what is and what is not wise and proper, we are talking about tinkering with the fundamental right of Americans to engage in robust political activity. We should tread on this ground very, very carefully. I think that is why the Supreme Court slapped down the first attempt to tread on this ground by such an overwhelming margin.

Now, some specifics. The Senator from Arizona laid down the three principles that we are going to see preserved in the substitute bill to McCain-Feingold, S. 25. I am delighted there will be a substitute bill to S. 25.

I have gone through S. 25 reading it personally. If ever there were a maze of regulations subject to misinterpretation and reinterpretation by bureaucrats enforcing them, this is the maze.

This morning on this floor we had a series of speeches regarding the IRS and how the Tax Code is used and abused with ordinary citizens. I wonder what the IRS or regulators like those who work for the IRS would do with the provisions of S. 25? Saying, well, you could have run that ad, but you can't run this ad; you could have had this guide, but you can't do that guide; this was OK last Tuesday, but it is not OK on Thursday.

Now, the fundamental assumption here underlying what we are hearing is that money is the only factor in determining the outcome of an election, and that if we can only level the playing field, which we hear over and over again, in terms of money, then we will have fair elections.

Well, when we raise the issue of people who defeat incumbents without having as much money as incumbents have, we are told always, well, that is

the exception that proves the rule. That is an aberration. That is not the way things normally happen; incumbents normally win. Yes, incumbents do normally win. And they normally win for a whole series of reasons, not necessarily connected with money.

I am interested that Senator FEINGOLD is raising this issue when he is one of the challengers who defeated an incumbent in order to get here. And, while I will not pretend to be an expert on his campaign, it's my understanding that he spent less than his incumbent opponent in order to do it, thus demonstrating that maybe the ability to communicate better than your opponent has something to do with who wins. Maybe the ability to write a smarter ad than your opponent does may have something to do with who wins. Maybe even having a more powerful message than your opponent has something to do with who wins. Or maybe which State you live in, whether it be predominantly Republican or Democrat, in terms of the leanings of the voters in the first place, has something to do with who wins. It is not necessarily money as the only ingredient in what happens.

All of us here, because we live in the beltway circumstance, saw the ad campaign that went on in the senatorial race in Virginia in 1996. You couldn't avoid it if you lived anywhere in the Washington area for any period of time. Mark Warner spent something like $25 million trying to defeat Senator JOHN WARNER. He didn't succeed. He outspent him overwhelmingly. What advantages did JOHN WARNER have to fight off that kind of money barrage as an incumbent? There are those here who will say his only advantage was, as an incumbent, he could raise more money. Clearly he could not raise more money. There is not enough money in the world to warrant raising more money than Mark Warner spent in that race.

I know my opponent in the primary race in Utah outspent me 3 to 1. He spent $6.2 million in a primary in Utah. When I say there isn't enough money—to spend more money, he was buying ads on Saturday morning cartoons. He had run out of places to spend it.

Yes, there are finite limits. I think Mark Warner reached those finite limits in Virginia. Why didn't he defeat JOHN WARNER if he had that kind of money advantage? JOHN WARNER had 18 years of service in the U.S. Senate, which means 18 years of answering phone calls, sending letters, attending bar mitzvahs, going to Rotary Clubs. JOHN WARNER was known as the most popular politician of either party in the State of Virginia. That is a fairly significant advantage for an incumbent to have, regardless of money.

JOHN WARNER has spent 18 years with name recognition against somebody of whom no one had ever heard. Yes, money buys name recognition. An incumbent doesn't have to spend any money to buy name recognition. That is a significant advantage.

JOHN WARNER had a staff. I can give that example. I didn't run against an incumbent Senator but I ran against an incumbent Congressman who had a congressional staff. When the Congressman wanted to come to Washington to attend a fundraiser with a PAC group, who paid for it? The taxpayer, because it was a trip back and forth from his congressional district to the Capitol. When I came to Washington challenging him, trying to hold a fundraiser among the PAC's, who paid for it? My campaign paid for it. I had to raise that money. It put us on a level playing field. Both have the same amount of money, I don't get to come to the fundraiser but my opponent does because he's an incumbent.

When my opponent put out a press release accusing me of committing a crime, which he did—actually, that was one of the good things about my campaign. Everybody thought he had lost his mind, and I got some extra votes as a result of it. Nonetheless, when my opponent put out the press release accusing me of a crime, who prepared it? His press secretary. Who paid the salary of the press secretary? The taxpayers. He was an incumbent. He is entitled to a staff.

When my press people went to the press conference to say, "No, BOB BENNETT did not commit that crime," who paid their salary? My campaign did. So let's put him on a level playing field. He gets his staff paid for as an incumbent by the taxpayers. I, as a challenger, don't get my staff paid for. I have to raise the money.

Incumbents have all kinds of advantages that have nothing to do with money. They also, sometimes, have some disadvantages that have nothing to do with money. We have the example—perhaps an extreme one but let's use an extreme one to make a point—back in the 1994 election, Mike Synar, the Congressman from Oklahoma, lost his primary. He spent $325,000. His opponent spent less than $10,000. His opponent's campaign consisted entirely of distributing his business card, sticking it under windshields in parking lots, and written on the back of the business card was the phrase, "Not the incumbent." And he beat the incumbent. The incumbent in that circumstance had a $325,000 to, let's say, $10,000 money advantage; he had the disadvantage of a voting record that members of his particular congressional district didn't like.

We cannot let ourselves get into this notion that money is the only factor and then write laws based on that assumption because, if we do, we will do violence to the Constitution and freedom of speech.

Now, let me go down the three points that the Senator from Arizona made, as the core points of McCain-Feingold and the proposed change that we will have. First, he said it must be bipartisan. I will grant him that. McCain-Feingold will damage both parties equally, damage the process for everybody. It doesn't play favorites. It will be equally bad.

Second, he says we must lessen the amount of money overall in campaigns. If he had listened to the expert testimony that we have had in the Governmental Affairs Committee this last week, he would find that even people who support McCain-Feingold, who come out of the academic community and commented on this, told us you cannot control the amount of money in political campaigns. The Senator from Kentucky has said, "Controlling political money is like putting a rock on Jello. You put it on one place and it squeezes out another." And these experts said the same thing. They said political money has been in the process ever since George Washington was President and will always be in the process, and we have had a continuing process of simply trying to control it. But you are not going to eliminate it. It is always going to be with you.

Mr. KERRY. Will my friend yield for a question?

Mr. BENNETT. I will be happy to yield.

Mr. KERRY. As I listened to my colleague suggest that you cannot control money, I can't help but think back to——

Mr. BENNETT. May I correct that? I said you cannot control the total amount of money. You can control where it flows.

Mr. KERRY. That is fair, Mr. President. Let me nevertheless ask the same question I was going to ask, because I think it is relevant. Last year in Massachusetts, Governor Weld and I agreed on a fixed amount of money that we would spend in our race. We agreed on a fixed amount of money for our media, and a fixed amount of money for the campaign on the ground, so to speak. We agreed, both of us, to have no money from the national political parties and no money from independent expenditures. We set up a mechanism whereby we were able to control not having those independent expenditures come in. In the end, we had a campaign that had no national money, no independent expenditures, and we spent the fixed amount of money that we said we would.

So I ask my colleague, how it is he can say that you can't control it when in fact there is evidence of it having been controlled in that race, as well as in Governor races and other races in the rest of the country where they have accepted limits?

Mr. BENNETT. I thank my friend from Massachusetts for an example that I think makes my point. You made the decision, your opponent made

the decision, and you are in control in this circumstance of the amount of money that is spent. What McCain-Feingold does is take that decision out of your hands and put it in the hands of the bureaucracy.

When I say you can't control the amount of money, I should be more specific. You can't control it by Government fiat. You certainly can control it in terms of what happens in your own campaign, just as I made the decision in my campaign that there would be no negative ads. I refused to run any ads attacking my opponent. But I would oppose any Government rule that would say to me I could not make a different decision if I wanted to. And I would oppose any Government regulation that would say that you and Governor Weld could not have made that decision on the basis that you wanted to, instead of there being more particulars that would be imposed upon you by Federal law that would say, "Well, you have come fairly close but we are going to put this regulation and that regulation on top of the decision that the two of you jointly made."

I applaud you for what you did. I think every campaign would be better off if the candidates could sit down in advance and make that kind of a deal. But I want every deal to be a separate deal, made by separate candidates, rather than dictated from this Chamber.

Mr. KERRY. Will my friend yield for a further question?

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

Mr. KERRY. I would ask him that, now having at least established one can arrive at a control, the issue is whether or not the Government might play a role in that? I ask the Senator if he is aware that, in a number of States and in a number of cities, they have in fact passed legislation where there is an accepted regime of control for how much is spent in a campaign, or for the mechanism for raising it? The city of New York, State of Maine, a number of other States have accepted this.

So, really, the question is not whether or not you can do it, I would submit to my friend, it is whether or not one is willing to do it, whether you have the desire of doing it. That is really the bottom-line question, I would suggest.

Mr. BENNETT. May I respond to my friend, and then I see the Senator from Kentucky wants to get into this.

In the first place, I think we ought to wait for some experience from these cities and States as to what happens before we rush to Federal legislation on the basis of the bills that they have passed. I think it is salutary that the States are being used as a lab, to see what works and what does not. I don't know that there has been any constitutional challenge to any one of these statutes yet. I would expect there would be. And I would like to have the reasoning of the courts before us before I rush to Federal legislation. Then, as I said, I would like to have some on-the-ground experience to see how it really works.

If I may give a separate kind of example, in the State of Utah we allow corporate contributions for statewide races—Governor, attorney general, Lieutenant Governor, what have you. There has not been a hint of scandal. There is no outcry to stop that. And we have had a series of outstanding Governors, both Democrats as well as Republicans, every one of whom has been a man of highest rectitude.

So, if you are going to look for a local example of something that works, you could say, based on my State's experience, that we ought to open the whole thing up and let corporate contributions come in as well as individual contributions. The one thing that we do have in Utah that has made it work is full and complete disclosure so that everybody knows that, if the Utah Power and Light Company has given to X campaign, that is on the public record. And when the Governor goes to deal with utility regulation, everybody knows how much the power company gave him.

Mr. MCCONNELL. If the Senator will yield just for an observation?

Mr. BENNETT. I will be happy to.

Mr. MCCONNELL. The Senator from Massachusetts was talking about State and local referenda. There have been some. Most of them have either been struck down by the courts, as in the case of Missouri, Minnesota, Oregon, and Cincinnati. The balance are in litigation, such as the new State law in Maine which virtually no one believes will be upheld by the Federal courts.

The Senator is correct, there has been some experimentation at the State and local level. Virtually all of them have been struck down or are on the way to being struck down.

Mr. BENNETT. I thank my friend from Kentucky for that additional information. Let me go back to the three points made by the Senator from Arizona: Must be bipartisan—I agree, this is bipartisan. Two, must lessen the amount of money overall in politics—if the experts that have testified before our committee are correct, and I believe they are, in a free society that is simply an impossible goal. You can disclose it, and I think we should; you should shine as much light, sunshine, exposure as you can, and I think we should. You should do things about getting people better informed of what is going on, and I think we should.

I am perfectly willing to talk about amending the current laws to go in that direction. But you should not kid yourself that in a free society, somehow Government can control the total amount of money people want to spend in political advocacy.

So we come to the third principle, laid down by the Senator from Arizona, that there must be a meaningful campaign finance reform, which is we must level the playing field between challenger and incumbent. We must help the challenger.

I have already made the point, and will make it again, that the best way you can help the challenger in the field of money is to allow the challenger to raise more money than the incumbent. If you level the playing field and say to the challenger—my own example again repeated—you cannot raise any more money than the incumbent, but the incumbent starts out with all of the name recognition, all of the years of going to Rotary Clubs and bar mitzvahs, all of the staff paid for by the taxpayer available to him, all of the record of answering letters and doing favors and congressional constituent service, and you can't spend any more to try to overcome that advantage in the name of campaign finance reform, you have decapitated the challenger and guaranteed that the incumbent is going to get reelected in virtually every circumstance.

Mr. MCCONNELL. Will the Senator yield?

Mr. BENNETT. I yield for another comment.

Mr. MCCONNELL. As an observation on what the Senator said about leveling the playing field, that was raised in the Buckley case, and the Supreme Court said it was constitutionally impermissible for the Government to try to level the playing field. In fact, the Court said:

> The concept that Government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the first amendment.

So my friend from Utah is correct, even if it were possible somehow for the Government to figure out how to micromanage and level the playing field, it is truly constitutionally impermissible for the Government to try to do that.

Mr. BENNETT. I thank my friend from Kentucky for that additional information about this particular issue.

Mr. President, I want to end as I began by expressing my deep concern over this whole attempt to tiptoe into the area of free expression in a free society regarding political activity and political speech. I know it is frustrating to see large amounts of money come into a campaign. I have heard my friend from Pennsylvania, Senator SPECTER, tell of his personal experience when BUCKLEY versus VALEO was handed down, where he was in a Senate race with the man who became Senator Heinz. The story ends well because Senator SPECTER became Senator SPECTER as well, but not in that race.

He, Senator SPECTER, was running the campaign. There were spending limits. BUCKLEY versus VALEO struck

those limits down in terms of an individual American being allowed to spend whatever amount of money he wanted to spend in expressing his own point of view. As Senator SPECTER said, "Senator Heinz had virtually unlimited resources and I did not. And Senator Heinz put those resources into the race and I was prohibited."

"Now," says Senator SPECTER, "my brother had enough money to fund my campaign, but my brother was forbidden to put that money into the campaign and, therefore, I was at an unfair disadvantage to John Heinz."

My solution to that would be let his brother put the money in the campaign. If we are going to level the playing field, and Heinz has x amount of money that he can put in and Senator SPECTER has a brother who has x amount of money he can put in, in the spirit of the decision just described by the Senator from Kentucky, I would have no problem with saying, OK, let Senator SPECTER's brother put it in, let's level the playing field by letting both sides spend.

Now, if Senator SPECTER's brother put it in, it darn well better be disclosed where he got the money, where it came from and let people ask the question: What did ARLEN SPECTER's brother expect to get in return if ARLEN SPECTER took enough money from him to match John Heinz?

Or to put it in a more contemporary circumstance, we see in the Presidential situation where we have these kinds of limits, in this last election, Jack Kemp wanted to run for President. Those of us who know Jack and can read his body language could tell he was anxious to run for President. He looked at the fundraising problem that he faced under the present limitations, and he said, "I can't physically do it. I have to go out and raise this much money at $1,000 apiece. I can't physically stand the wear and tear."

Sitting at Jack Kemp's elbow, figuratively, was somebody who believed in everything Jack Kemp believed in. His name is Steve Forbes. Steve Forbes could have funded a Kemp campaign for President without noticing it. But under the circumstances in which we currently are operating, Steve Forbes is forbidden to do that. So, ultimately, what did he do? He ran for President himself. At some point in this debate, I will have some comments about that, too, and what happened with that injection of money coming from Steve Forbes.

But wouldn't it be a better kind of system if Steve Forbes could say, "Jack, you're better known than I am, you have more experience in this arena than I do, you probably have a better chance of making it, you represent the same ideas I feel strongly about, here's a check for $15 million; go to it, Jack."

The first question that Jack would have been asked is, "What did you promise Steve Forbes in order to get $15 million?" And that might be a very embarrassing question for Jack to answer. Indeed, Jack might say, "Steve, I'm not going to take your money because I don't want to have to answer that question." But that is the kind of openness and honesty that I think would make the system a whole lot better than what we are talking about here.

Mr. MCCONNELL. Mr. President, if the Senator will yield before he leaves, I would like to ask him a question.

Mr. BENNETT. I will yield for a question.

Mr. MCCONNELL. I was listening with great interest to my friend from Utah in describing the Government controls over political speech that are a part of or actually at the heart of McCain-Feingold. I know, for example, that there is this distinction which the Senator from Utah referred to in terms of what is commonly referred to as issue advocacy. Do things on the 61st day before the election, but if it is the 60th day or closer, you can't do other things.

I am sure my friend from Utah knows this, but an agency of the Federal Government would be put in charge of making these decisions, would it not?

Mr. BENNETT. An agency of the Federal Government would decide what was permissible and what was not on the 60th day.

Mr. MCCONNELL. So an outside group seeking to criticize a Member of Congress—they didn't like how he or she voted on day 58 before an election—would then be prohibited by the Federal Government from expressing criticism of this incumbent during that period, would it not?

Mr. BENNETT. That is correct.

Mr. MCCONNELL. And is it reasonable to assume, I ask my friend from Utah, if that would be an enormous advantage to incumbents?

Mr. BENNETT. Well, the assumption is that it would be an advantage to incumbents because it would give them freedom from criticism by an outside group in that period. My sense of smell tells me the outside group would, even under McCain-Feingold, probably find some way to try to get around that.

For example, as I understand the Senator from Arizona, he said there can be no criticism by name of a candidate, so perhaps the outside group would say, "The Congressman from the Third Congressional District of Utah is terrible, but we didn't name him."

Mr. MCCONNELL. But this agency would have to decide whether that was specific enough.

Mr. BENNETT. The agency would have to decide, and once the agency decided, yes, it is all right to attack the Congressman but not to attack him by name, or, no, you can't say the Congressman from the third district, but you can say some Congressman, or whatever, you would, again, have Government dictating that which was permissible speech in terms of the content of the ad.

Mr. MCCONNELL. I say to my friend from Utah, looking at the McCain-Feingold bill, section 303, it gives the FEC the authority to seek an injunction. So the FEC could choose to go to court and shut this group up, could it not, under this authority?

Mr. BENNETT. It could.

Mr. MCCONNELL. So you can imagine a group of aggrieved citizens who have been dramatically and adversely affected by a vote of an incumbent Member of Congress on the 57th day before an election essentially shut up because of the proximity to the election, quieted by the heavy hand of the Federal Government, unable to criticize an official action of a Member of Congress during that time period. Is the Senator from Kentucky right in assuming that would be the likelihood of this?

Mr. BENNETT. I believe the Senator is partly right. I think either that would be the likelihood, that a group would be deprived of its right to exercise free speech in that area, or another equally likely outcome, in my view, is that the outcry from the group over the injunction would be sufficiently significant in the press that it would override any discussion of substantive issues from that point forward and the last 60 days of the campaign would be spent bickering over whether or not the group really should or should not have had that right. Either way, it distorts the political dialog in a way I find corrosive and damaging to the intent of the Constitution.

Mr. KERRY. Will my colleague yield?

Mr. BENNETT. Let me yield to the Senator from Massachusetts, and then I will come back to the Senator from Kentucky.

Mr. KERRY. Mr. President, I thank the Senator from Utah for his effort to have a good discussion, and I think that is a very important part of what we are trying to achieve here. I, obviously, want the Senator from Kentucky to be a part of that.

The allegation has been made by the Senator from Kentucky that somehow someone is being shut up or shut out of the system. Wouldn't it be true, notwithstanding the effort to seek an injunction as to expenditure for ads under the aegis of this entity, that they would, nevertheless, be free to participate, like every other citizen, by raising so-called hard money, money for the campaign for the candidate, by participating in the campaign itself, by holding fora, by holding any kind of participatory effort that they want, which, in effect, is only limiting the clutter and the impartiality of the last 60 days of a race because of the undue influence of money.

My question is, wouldn't America be better off to have a participatory process where people are encouraged to

come out of their offices and into the meeting halls and candidates are encouraged to go into the living rooms rather than simply rely on money to distort the process?

Mr. BENNETT. I respond to my friend from Massachusetts by saying that, of course, the country would be better off if all of those things happened. There is no reason whatsoever to believe that the prohibitions of one kind of expression that are outlined in McCain-Feingold would automatically produce all of the other more beneficial kinds of expression that the Senator from Massachusetts has described.

There is no credible cause-and-effect relationship between the two. We are back to the fundamental point that I am trying to make in this entire presentation, which is, we are talking about ways in which the Government will regulate speech. And that, in any other context, is called censorship. And I am opposed to it.

Now, I must go back to the Senator from Kentucky.

Mr. McCONNELL. I say to my friend from Utah, this is an interesting hypothetical to discuss, but there is virtually no chance the courts would allow the kinds of restrictions on issue advocacy in the McCain-Feingold bill. The Supreme Court addresses issue advocacy; that is, the way others are able to criticize our records.

What the Senator from Massachusetts is saying, I think, is that he would like that criticism to be less effective. In other words, do not use something really effective like television, just go out and go door to door. There isn't any chance the Supreme Court is going to say, "Deny to an aggrieved group the opportunity to use the most effective way to criticize our records," which we all know requires: (a) The expenditure of money, and (b) the use of television. That is the easiest way for that criticism to have an impact.

The good news is—the good news is—there is virtually no chance that any court in America would uphold the kinds of restrictions on issue advocacy by groups that are contained not only in the original McCain-Feingold bill but in the substitute that in all likelihood will be offered Monday. That is the good news.

I thank my friend from Utah.

Mr. BENNETT. Does the Senator from Massachusetts ask me to yield further for an additional comment? If he does, I will be happy to do so.

Mr. KERRY. Mr. President, I ask the Senator simply to acknowledge what I think he would acknowledge is the state of the law, which is that there is a distinction that the Court has drawn between issue advocacy of the kind the Senator from Kentucky was referring to—which I would not seek to restrict; I understand the first amendment—and express advocacy of a candidate.

There is a clear distinction the Court has drawn between a legitimate effort to talk about an issue in the abstract and an effort to help a candidate get elected. I think that most Americans would feel, in fact, in answer to the Senator saying, "Well, there's nothing in here that connects the amount of money to the effort to get people, you know, into the living rooms and out of their offices," I suggest respectfully to my colleague, there is, because the more the money, the more there is this effort to simply have these distorted 30-second advertisements, the less people feel connected or need to connect to the politician or the process and the more they are in fact alienated from it.

In the experience of Massachusetts, where we set a limit on what we would do, I in fact felt an enormously greater incentive to go out and organize at the grassroots level because I knew it was that much more important.

So would my friend from Utah acknowledge that in fact there is a distinction between express advocacy and issue advocacy and there is in fact a connection in the way that we can begin to bring people back into the process by getting rid of the cynicism that they have and the sense of being absolutely separated from all of this money?

Mr. BENNETT. I can respond to the two questions by my friend from Massachusetts.

Yes; there is clearly. The answer to his first one, an attempt to define the difference between issue advocacy and express advocacy in terms of a candidate, how that would play out under McCain-Feingold in terms of the 60-day rule is still very troubling to me and, in my view, does indeed cross over the line and become censorship.

Now, as to his second question, this is a matter of political experience. Obviously, every Member of this Chamber has his or her own political experience to draw back on. I will only comment in terms of my own, that I am known in Utah as a politician who believes perhaps more strongly than any other in the importance of grassroots organization.

I am currently spending all the money that I am currently raising in building such an organization. Some of the people who work for the Senator from Kentucky under the other hat he wears as chairman of the Republican Senatorial Campaign Committee are a little disturbed that I do not have more money left in the coffers from the amount I have raised, and where has its gone?

It is going right now into building a precinct-by-precinct, voting-district-by-voting-district campaign organization so that if I have no money for television, I have at least one person for every 10 or 20 households who will go out and knock on doors on my behalf. I am building that organization right now. I believe in that fundamentally.

However, my personal experience says that I cannot energize these folks without some ads on television. I can give them all the letters, I can give them all the phone calls, I can tell them all how wonderful they are, but until they see something on the screen, they are not convinced I am a serious candidate.

Mr. KERRY. Will the Senator yield further?

Mr. BENNETT. If I may finish.

At the same time, my experience in the last campaign is that when there were ads attacking me, I found that the general public did not pay any attention to them and did not care. But my own troops all panicked until I was able to get back on television and answer those ads. And they heaved a gigantic sigh of relief.

By the same token, I am told by my opponent's people—Utah is a small enough State that virtually all the politicians talk to each other, particularly when the campaign is over—that it was one of my ads puncturing my opponent's attack on me that took all the starch out of their door-to-door grassroots organization.

The former chairman of the Democratic State committee said, "I was shaving in the morning, feeling good about the campaign. We were closing the gap on you. Our attacks were taking hold. I had the radio on and heard your voice come on on the radio. At the end of 60 seconds, I said, 'It's all over. He has just punctured our balloon. There's no way we can get anybody going again.' "

So, these things play hand in hand. Everyone has his or her own experience in it. We come back to the basic posture that I took. We, as candidates, should be in charge of our campaigns. We, as candidates, should make the decision as to what is said, when it is said, how it is said. We should make the decision whether we use grassroots or television or radio or billboards or handbills or newspapers.

Those around us who want to get into it should be free to make their own decisions in that regard. The heavy hand of the Federal Government should not be in that circumstance saying, "This group can; that group cannot. And 61 days is OK; 60 days is not. The public is not smart enough to sort through all of this and make their own decisions. We must regulate how the money is raised. We must regulate how it is spent."

I am perfectly content to have the Federal Government regulate from whom it is raised. I think the ban we have had on corporate contributions since Mark Hannah's days is legitimate. In terms of direct contributions to candidates, I think that is a legitimate restriction which we have had in this country for longer than I am old. I have no problem with that.

I am perfectly willing to have the Federal Government involved in requiring full disclosure so that everybody knows if I take money from FRED THOMPSON, I am going to have to answer for that, that everybody knows what I am doing. I have no problem with that.

But I have serious, serious fundamental problems, in terms of my devotion to the Constitution, people who know me know on the floor how strongly I feel about this—I think we are treading on very, very sacred ground when we say the Federal Government is going to start to make these kinds of decisions for candidates and groups and ordinary Americans, and it is going to do it in a way that carries the full punitive power of the Federal Government behind it.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. I want to commend the distinguished Senator from Utah for his very enlightening presentation. Since I have not yet spoken on issue advocacy, I want to pick up for a few moments what we were discussing at the end of the colloquy with the Senator from Massachusetts. On the question of issue advocacy, the Court has not been vague on this at all. This is not a gray area.

The Court has been quite precise in the area of issue advocacy. Issue advocacy is criticism of us. Groups are entitled to do it at any time they want to and as loud as they want to. We never like it. We can stipulate that we never like it. Now, the biggest group in America in the field of issue advocacy on television is the AFL–CIO, and it is mostly targeted to Members of my party. We can stipulate that we do not like it worth a darn. But no effort to try to restrict that through legislation in the Congress is going to change it.

It is not a gray area. The Nation's experts on the first amendment, I think we would all agree, is the American Civil Liberties Union. In a letter to me earlier this year, they said this about the provisions in McCain-Feingold dealing with issue advocacy. This is the exact quote, Mr. President:

> Worst of all is S. 25's blunderbuss assault on issue-oriented speech. The weapon is an unconstitutional expansion of the definition of "expressed advocacy" in order to sweep classic issue speech within the zone of regulation as independent expenditures.

So let me just make it simple. There isn't any chance, Mr. President—no chance—that through legislation, we can shut up all of these groups who seek to criticize us. We can stipulate that we do not like it, but they are going to keep on doing it. No amount of standing up here on the floor of the Senate and arguing that somehow we are going to be able to purify the process and get rid of all these critics is going to get the job done.

In this whole field, Mr. President, at the end of the day we get back to the Constitution. You begin and you end this debate with the First Amendment to the U.S. Constitution, as the Senator from Utah has pointed out. This is core political speech, according to the U.S. Supreme Court. That is not MITCH MCCONNELL's interpretation. That is not BOB BENNETT's interpretation. This is the law of the land. As the Senator from Utah said, when you start moving around in this field, you better tread lightly. The courts were not only good in the Buckley case, they have been good since. The whole trend has been to more broaden the area of permissible political discourse in this country.

The Court has said it is impermissible for us to decide how much political speech is enough—impermissible. In spite of that, the reformers persist in promoting the notion that it is somehow desirable for the Federal Government to determine how much political discourse we are going to have in our campaigns in this country.

You hear them say time and time again—we heard it this morning, and we will hear it next week—"We're spending too much in American politics."

Remember what the Supreme Court says that means: that they are saying, "We're speaking too much. We're speaking too much." How much is too much?

Last year, there was a lot of political speaking because there was a war on out there for the future of the country. We had a change in 1994, and a Republican Congress came in for the first time in 40 years. The status quo forces didn't like it, and they fought back in 1996. A good deal was said. That is speech. A lot of it cost money, and spending did go up.

When all was said and done, I say to my friend Utah, we spent per eligible voter last year $3.89, about the price of a McDonald's value meal. Looking at it another way, of all the commercials that were shown on television last year, 1 percent of them were political commercials. And they say we are speaking too much. They think it is a good idea to shut all these people up, shut down those outside groups that are criticizing us, put a cap on how much a campaign can say.

Who gets the power then? Conspicuously exempted—and I am not arguing we ought to take away the exemption—but conspicuously exempted from the Federal Election Campaign Act is the press.

I have looked and I have searched to see whether there is any provision in here, and I say to my friend from Utah, that the press cannot criticize us in the last 60 days of an election. I have been looking feverishly to see if I can find if there is any prohibition on the press endorsing candidates in the last 60 days of the election. Maybe I just have not read this carefully enough, but I cannot seem to find it.

So what we are talking about here is a transfer of power away from groups that want to comment about our record and talk about us, frequently in an unfavorable way. The original version of McCain-Feingold wanted to shut up the campaigns themselves so they could not talk too much. And I hear from Senator MCCAIN, he is going to offer an amendment to try to bring that back.

We shut down the campaigns and we shut down the issue groups. Who gets to talk? Who gets to talk about Government interference in the last 60 days of the election? Why, the press gets to talk. We know darn good and well that all of this issue advocacy restriction in here is flatout unconstitutional and is not a question in anybody's mind that knows anything about the Supreme Court.

OK, so issue advocacy survives in the courts. Even if we passed it here, somehow that spending limits on campaigns survives, so you are going down the home stretch, you are in the last few days, and the campaign runs out of money and you can't say anything. But the labor unions are there with issue advocacy, they have raised their money by checking off union dues, taking it in many instances from people involuntarily. They are hammering away at you, the liberal press is running exposes on the front page and endorsing your opponent on the editorial page—welcome to the brave new world of campaign finance reform where the groups are shut up, the candidates are shut up, and the press is running the game.

Now, the good news is the Court will not allow this to happen. But what is sad is that anybody would even be proposing this. What is disturbing is that anybody would even be suggesting that it would be a good idea to have less political discourse in this country.

There is a lot of discussion going on all the time about public affairs in this country. The press is talking about it every day. Most objective studies would indicate that 85 to 90 percent of the people in that line of the work are on the left. Hollywood is making statements all the time about what kind of society we have. Many of us feel about 100 percent of them are on the left. So you have the press on the left, you have Hollywood on the left, and the candidates and the groups with the Government clamping down on what they can say in the heat of a campaign. It sounds like something straight out of Orwell's "1984." Yet there is serious discussion here on the floor of the U.S. Senate that this somehow would be an improvement in the American political system.

Write it down—we are not speaking too much in the American political

process. We are not going to pass this unconstitutional piece of legislation. If we were foolish enough to do it, the courts would strike it down. The argument we hear is the people are crying out for us to do this, that they are just desperate for us to pass this kind of legislation. Let me say in a survey taken just a few months ago by a reputable polling firm which I was just looking at this week, they asked 1,017 registered voters open-ended what they thought the most important problem in America was, and not a single one of them mentioned campaign finance reform. Then the pollsters thought maybe it will be different if they put it on the list, so they put it on a list of 10 topics. It came in dead last of the 10.

We will hear time and time again, as I have today, and we will hear it more next week, that everyone is clamoring for us to pass this big Government solution to this nonexistent problem of too much political discussion in this country. Eighty-seven percent of the people, by the way, would be less likely to vote for a Member who supports unconstitutional reform.

Now the proponents of this legislation this week sent out a press release saying they had found 126 people who said this bill was constitutional. My reaction to that is that I could probably find 126 people who say the Earth is flat. But the people who handle this litigation, America's experts on the first amendment—the American Civil Liberties Union, and clear and unambiguous decisions by the U.S. Supreme Court—make it abundantly clear that this is unconstitutional.

Now, the people of the United States did not send us up here to pass blatantly unconstitutional legislation. Sure, you can craft a question that will get the answer you want. Spending limits on the surface sounds like a good idea. If you ask people if they are in favor of spending limits they will say yes. On the other hand, if you rephrase the question and say do you think there ought to be a limit on how many people can participate in your campaign, 99 percent of them will say no. The same issue expressed a different way.

So the people are not clamoring for us to shut down political discussion in this country. They are not clamoring for us to push people out of the process. They are not asking us to make it impossible for them to criticize our records in proximity to an election. Sure, if you ask them about the influence of special interests they will say that is a terrible thing. Do you know the definition of a special interest, Mr. President? Special interest is a group that is against what I am trying to do. But of course the organization I belong to—whether it is the VFW, the Farm Bureau, the National Rifle Association, or the Electrical Workers Union—we are not a special interest. We are a bunch of Americans trying to do the right thing for our country. The term special interest is meaningless. It is a pejorative term applied to any group opposed to what we want done.

As a practical matter, the founders of this country knew that there would be a seething cauldron of special interests. They expected us to organize. They expected us to contribute to campaigns. They expected us to be criticized if we came here to serve in the Senate or in the House. We were not to be above criticism. They envisioned lobbyists. That is another part of the first amendment. It gives people the right to petition the Government. A lobbyist, of course, is a person working for a group trying to do something I'm against. But the person we have hired to represent our group in Washington is doing the right thing.

Mr. President, this is going to be a good debate. There may be an effort in this bill to shut off campaigns, to quiet the voices of independent groups who want to criticize us, but there is going to be plenty of discussion on this issue here in the Senate. I hope, Mr. President, that many people will take an opportunity to listen in because when they hear the words "campaign finance reform," they don't understand that generally means somebody is trying to put the Government in charge of their ability to participate in the American political process.

I yield the floor.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. THOMPSON. Mr. President, proponents of campaign finance reform say it is an assault on the Constitution. I say that McCain-Feingold is an assault on an incumbent's protected system that is rapidly losing faith with the American people. These claims about government takeover, and government regulation, and big government, of course, resonate with me as well as they do many other people, because I'm against that. I'm against the more intrusive government and I'm against more and more regulation, and I'm against government doing things that it should not be doing, especially the Federal Government.

However, I think we have too quickly divided up into liberal and conservative counts and Democrat and Republican counts on this issue. As I read my history, Senator Barry Goldwater, the father of modern conservatism, in many people's view, was one of the most avid proponents of campaign finance reform a few years ago.

So let's go back to the basics. People who are basically conservative think that the Government ought to do the things the Government ought to do and not things that it shouldn't. What should the Government be doing? Mr. President, if the way we elect our Federal officials and the motivations that they come to Washington with is not relevant and is not something that we ought to be concerned with, then what is? That is the basis of Government. Government does a lot of things it should not be doing, but how we elect our Federal officials, who are the arbiters of everything else in society anymore, seemingly, is certainly the subject of our attention.

As I listen to this debate today, it is almost like under the current system we don't have regulation and that we are trying to impose regulation on an otherwise pristine system. We have the most heavily regulated system in the area of campaign finance reform than almost any other area in the country. Under the current system, you have a Federal Election Commission with detailed rules, timeframes, limit frames and so forth. You have $1,000 limitation; you have $5,000 limitation for PACs; you have $20,000 limitation as far as committees are concerned; an overall $25,000 limitation as to how much you can contribute in 1 year. You have soft money rules, you have hard money rules, you have percentages of soft money you can do certain ads with—there has to be a certain percentage of soft and hard money. You have transfers of money going back and forth between State and national parties, all under a detailed set of rules that nobody understands. To run in a political campaign any more nowadays you have to have a team of lawyers and a team of accountants and a team of people keeping up with all the regulation.

That is our current system. My friend from Utah talks about our friend Jack Kemp and Mr. Forbes and how it would be much better if we had a different kind of system in our Presidential primaries. That is our current system he is complaining about. I think he makes some good points there. I think we ought to look at limitation amounts there. I think they are somewhat ridiculous and too low. All of that is our current system.

So, what we are doing here, it looks to me like in McCain-Feingold is basically two things: One is a ban on soft money; secondly, it is saying about independent expenditures, that if you have candidate expenditures, you call them that and treat them that way.

Under the current law, express advocacy is regulated now. It is regulated now. This idea that we are going to cut off somebody from saying something or that we are going to shut people up and close people off is simply not true. That makes interesting rhetoric but it is not in this bill, it is not in this legislation.

What it basically says is two things. In 1974 we passed a law and we went along for almost two decades, electing Presidents under that law. Not a breath of scandal as far as campaign finance reform under that law and under the rules that we set forth then, for

soft money problems in that entire period of time.

Mr. McCONNELL. Will the Senator yield?

Mr. THOMPSON. I yield.

Mr. McCONNELL. Did I hear the Senator say since the passage of the Presidential system it has been scandal free?

Mr. THOMPSON. Up until——

Mr. McCONNELL. Until 1976, the year in which the explosion of soft party money occurred, was right in the Presidential election cycle.

Mr. THOMPSON. No, the soft money problem really rose its head in about 1988, but it really didn't become a major problem until this last election.

Mr. McCONNELL. But the Senator is referring only to years in which there are Presidential elections, which are the years of the system he is applauding, where you have voluntary spending limits that the Court upheld; has the Federal system been effective, I ask my friend from Tennessee?

Mr. THOMPSON. For about two decades we did not have a soft money problem because people abided under the rules laid down in 1974.

What has happened since that time is that soft money has come into the system and now we have about $262 million in soft money in the system that we didn't have back in 1974 when we laid down the rules at that time.

Mr. McCONNELL. Let me make sure I understand what the Senator is saying. The soft money problem has arisen in the Presidential years, for the most part. Is it not reasonable to assume that the reason the candidates having been spending the limit of the taxpayer funds, turning to soft money, it is a way to get around the spending limit, is that not correct?

Mr. THOMPSON. Yes, yes, that is absolutely true.

That, therein, lies the problem. We had a system for about two decades whereby people made a deal with the Government to run for President, and that is we will take millions of dollars in public money and we don't raise any private money.

The Supreme Court held that up, it worked fine, no scandal, no constitutional problem, until we decided that there was not enough money in the system and that there were ways that we could get more money for our Presidential campaigns. We have just seen the results of that. The soft money situation started. We figured out a way that money could be given to the parties for the benefit of the Presidential candidates, and you could just add that, to the public financing that we already had. And so in this last campaign we had about $262 million in soft money, in addition, which was about 10 times what it had been a decade before. And that is the situation that we have now.

So some people are saying, look, let's basically go back to what we thought we were doing in 1974. A lot of people disagree with that, certainly. A lot of people don't think we ought to do that. A lot of people don't like things that smack of public financing at all. A lot of people don't realize that we have public financing for Presidential campaigns in this country, as anathema as that phrase is. But now, after a situation that worked pretty good for a while, nobody was saying there wasn't enough money in our Presidential campaigns. I don't think anybody was saying we didn't have enough commercials during the Presidential years. It worked pretty good. But now we have this additional influx. We had a system that some people opposed and that some people thought was good. It was our system. To say that it was totally laissez faire, free market, unregulated is simply unfair. We had a system. Now we have seen a gaming of the system, whereby millions of dollars in addition though that is put on the plate.

Now, at a minimum, if that is what we ought to want to do, we ought to revisit this as Congress. This is not something Congress came up with. Congress didn't say soft money was a good idea. Congress didn't say the current system we have is what we want. It was done little by little, by the FEC, by a court decision here, and by the FEC; advisory opinions. And then one party would see an opportunity for soft money and the other party, instead of blowing the whistle, would jump on the bandwagon, too. So we now have tremendous sums of money poured into our Presidential campaigns that we did not envision in 1974.

Now, again, if we think that is a great idea, let's come back as a Congress and put our stamp of approval on that. But just under the idea of congressional prerogatives alone, under the idea that we should not let some commission downtown set such important rules for us, where we have legislated something quite different, under those ideas, we ought to revisit it. That is another good reason why we are having this debate.

On the other hand, some of us don't think that is such a good idea, that we should not only revisit it, but we should do something about it. I think that, basically, what we are doing in the soft money debate here is going back originally to where we were when we last legislated in this area. When we passed the current law in 1974, we did not say it was OK for major corporations and major labor unions to give hundreds of thousands of dollars for the benefit of Presidential candidates in addition to what was publicly financed. We have gotten totally away from what we said we wanted.

Mr. SPECTER. Would my distinguished colleague yield for a question?

Mr. THOMPSON. Certainly.

Mr. SPECTER. On the issue of soft money and where it has gone, there is a very strong point that if the definition of issue advocacy, issue commercials, contrasted with advocacy commercials, if that distinction was sharpened up—my colleague and I discussed this at some length with Attorney General Reno when she appeared before the regular judiciary oversight hearing back on April 30 and the questions were propounded to her about these commercials on both sides, Republican and Democrat—Republican commercials extolling the virtues of Senator Dole, and Democrat commercials extolling the virtues of President Clinton, and knocking each other in reverse. Those were somehow viewed as being issue commercials as opposed to advocacy commercials.

The question I take up with my colleague at this point, which is a corollary to the soft money, is whether the soft money would really have so much effect, and whether we couldn't contain it by congressional enactment on the question of constitutionality. I would be interested in the answer to two questions of the Senator, the distinguished lawyer Senator THOMPSON. If we said that—short of saying vote for President Clinton or vote against Senator Dole, instead if the likeness appears and the language is very strong urging the election of one and the defeat of another, I ask if that would satisfy constitutional muster, in the Senator's opinion, and what effect that would have on limiting the utility of all this soft money that we found in the 1996 Presidential election?

Mr. THOMPSON. As the Senator knows, much of the soft money went for those kinds of ads. I would not be supporting a provision that I did not think would pass constitutional muster. What this bill does is basically what the Senator says. It says that you look to the circumstances. If something is called an issue ad, but it is really an ad for a particular candidate, it is called such. If it walks, quacks, and acts like a duck, we are going to call it a duck. You can still say whatever you want to say. Nobody is shutting anybody off. There are no free speech implications here. But if you are really going to do a candidate ad—and in some cases, we have candidates going around coordinating with independent groups, and the groups run an attack ad on their opponent, the candidate dictates where and when that ad is going to be, and all the details and the composition of it, and it is called an independent expenditure.

What this would do would be to say we have a regulatory system. Whether anybody likes it or not, we already have a regulatory system. If it is an express ad for a particular candidate, it is already regulated. What this legislation would do is say you would look at the factors, look at the given situation. If it is an express ad, if it is really for a candidate, we are just going to call it

that, and it is going to be regulated under the same system express ads are regulated under now.

Mr. SPECTER. If the Senator will yield further, on the issue of so-called independent expenditures, they appear in many cases—if not most—not to be independent at all, and that there is, in fact, coordination. Some people on the independent expenditure group are members of the candidate's staff collaterally, and there is good reason to flout the law because the remedies taken by the Federal Election Commission are often very late and very ineffectual. One piece of legislation that is pending would sharpen the requirements as to independent expenditures, calling for a tough affidavit with strong penalties, in addition to the regular perjury penalties, for the person who makes the so-called independent expenditure. And then finally, the FEC would require a corollary affidavit by the candidate on whose behalf the expenditure was made and the campaign committee to try to do something with teeth in it to stop the so-called independent expenditures, which are in fact coordinated. Would my colleague think that would be of some help to stop that pernicious practice?

Mr. THOMPSON. Well, I think that is a direction that we are trying to head in. I am not for trying to sit down and detail what somebody can say or not say. That is clearly unconstitutional. You can't do that. The Buckley case made a distinction between contributions and expenditures. Basically, it said you can't regulate expenditures. Independent groups ought to be able to do whatever they want to do whenever they want to do it. But we decided a long time ago that, as far as campaign finance was concerned, we were electing the judges of our society in a way—you know, when we go to elect judges in our system, they are supposed to be independent. The litigants on either side can do things and get paid large sums of money, and so forth, but what you can do with regard to a judge is highly, highly narrow, in our system, and is regulated.

In a sense, we are the same way. I mean, we get elected by people—one vote, one person; it is an equal deal. No matter how poor or rich you are, or your status in society, your vote counts as much as anybody else's. We are elected. I represent all of the people of the State of Tennessee, no matter how many votes I get. The President represents all of the people of the country. We come up here and we are supposed to represent everybody. We are supposed to pass legislation evenhanded. We have different views on different things. We have support here and opposition there. But we are supposed to try to give it our best objective shot as to representing all of the people.

Given that situation in a democracy, we decided a long time ago that we were going to place some rules on it, because it didn't look good and it didn't make us feel good and didn't give us confidence in our system if we saw hundreds of thousands of dollars going into the pockets of people from interests who we were regulating or who we were passing laws on, when the people maybe on the other side of the issue didn't have the money to do that. Are you going to be able to take money out of campaigns? Of course not. But we decided once upon a time that a person ought to have a limit of $1,000—I personally think that is too low—and $5,000 for a PAC, and $25,000 overall.

We have a regulated system now because we know in our democratic society there needs to be some kind of control on the amount of money that goes into the pockets of politicians. It is pretty simple and basic. The Supreme Court or nobody else has ever said otherwise. The Supreme Court, in Buckley, has recognized that we do and we can regulate on the contribution side of things—on the contribution side—how much money we can get. There is no question in my mind that we can regulate the soft money that is now coming into our system. This is not a constitutional argument. What we have now is a system that protects incumbents. It is a system that is becoming more and more isolated, more and more specialized, making it so that only a professional politician who has been out there raising money all his life, or some wealthy individual, is going to be able to be a part of the system anymore.

My friend from Utah, a few minutes ago, made a very effective case that not only do incumbents have tremendous fundraising advantages, but they have other advantages. I agree with that. But that just makes the fundraising advantages that much more. The money goes to the incumbents. Maybe I just haven't been at it long enough. I have never run for office before this one. I had never run before about 3 years ago. I have run as a challenger against a person who was a congressional incumbent, and then I have run as an incumbent. I don't think we ought to get too bogged down with our own personal war stories, but I have seen it from both sides. I have had the disadvantages and the advantages of both sides of it. But all I know is that all the PAC money goes to incumbents. It doesn't matter what anybody believes anymore; it is their likelihood of getting reelected. Incumbents get reelected 90 to 95 percent of the time. The more upset the American people get with us, the more heavily incumbents become entrenched. I wonder why that is.

Well, I think that part of it is what we are dealing with here today. For those who want to make this out as some kind of new regulatory, big Government scheme that we are imposing on an otherwise pristine system that we have here now, we heard some testimony the other day in the Governmental Affairs Committee, and I had heard things like it before. This was from a businessman, a gentleman representing a bunch of businesses in this country. He said, "We are tired of this system, tired of this soft money, tired of being hit up. We are tired of the extortion overtones of what is happening." What we have now is a system, and what we had in this country in this last Presidential race was people sitting in the White House—and it could have come from a Senate office or congressional office, or anyplace of power—making calls to individuals saying, "I think it would be a good idea if you would send us $50,000 or $100,000." And they feel that it probably would be a pretty good idea, from their standpoint, to maybe go ahead and send it on.

Now, for those who are concerned about the coercive nature of big Government, chew that one over for a little while. That is what we have now. We have gotten to the point now that, since the soft money situation is totally unlimited, any politician can call up, and as long as they go through the guise of running it through one of the parties, which, in turn, will inure to their benefit, they can ask anybody for any amount of money.

So I think the American people look at that, and they don't think the system is on the level.

It all gets back to pretty basic stuff for me. I think the American people look at a system where we spend so much time with our hand out for so much money from so many people who do so much business with the Federal Government who we are basically regulating and legislating on, and they look at that system and the amounts of money that are involved nowadays, and they don't have much confidence in it.

We will continue to see those lists in the newspapers of the hundreds of thousands and millions of dollars of contributions and the pieces of legislation put up against those contributions, the implication being that there indeed is a quid pro quo. People look at that, and there is a very little wonder that we are now having less than half our people voting. My understanding is we only have 6 percent of the American people making political contributions.

So during the last few months we have had hearings that I think have been very enlightening. I want to talk about that a little bit later in a little bit more detail in terms of some of the things that have come out that in large part have to do with the actions of individuals and the ability that we gave them to pursue unlimited amounts of soft money.

I think that the first thing we have to do, of course, is have accountability for those who have violated the law, for

those who engage in improper activity, as part of what we have to be about.

I think the public record is developed now so that without question there needs to be an independent counsel to look at this entire mess—not who made a phone call from what room and just focus on that—this entire mess that we have seen over the last several months. We need someone independently to take a look at that.

But, my friends, if we think that accountability is going to solve our problem as far as the system we have in this country, we are making a terrible mistake because whoever is in power, if they have the right to pressure people for unlimited amounts of money, our system is constantly going to be and will remain a scandal waiting to happen. I hope that we will have learned that from this last one.

I yield the floor.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, first of all, I thank the Senator from Tennessee for his comments and his leadership on a lot of these issues with respect to this legislation, and this issue in general.

I associate myself with the comments that he has made about the impact that our current system is having on the politics of our country. That is what this debate is about. In my judgment, this is the most important debate which we will have in the Senate this year—perhaps the most important debate and opportunity that we have had to address the concerns of the American people, and with respect to this system, in many years.

I heard the Senator from Kentucky, for whom I have great respect for his capacity of advocacy and depth of his commitment to this issue. No one should doubt that he is passionately committed to the interpretation he has both of the Constitution and the issues at stake.

But, as the Senator from Tennessee has just pointed out, while it sounds good to suggest to people that somehow regulating campaign finance is going to shut down debate, the fact is the Supreme Court has already approved of that kind of regulation. What we see today is an abuse of what the Supreme Court intended to take place. The Supreme Court drew a distinction between express advocacy and issue advocacy, and properly so.

I am confident that the Senator from Tennessee and I would agree that both of us want a healthy and robust debate in this country and no limitation on the first amendment right to discuss an issue. But there is a distinction between an issue and what some of the money under the guise of issue expenditure is seeking to do. What it is clearly seeking to do as an abuse of what the Supreme Court established is not to simply talk about the issue but rather to affect the election and impact express advocacy.

The Supreme Court has made it very clear that express advocacy is something that seeks to defeat or help a candidate. Issue advocacy can discuss Social Security, it can discuss welfare reform, and it can discuss any of the issues that we vote on and argue about in the Senate without talking about a candidate—without attacking the candidate's record—which properly ought to be left to the campaign, in the judgment of the Supreme Court.

We will argue, I think, considerably over this in the next days. I am prepared as we go further in this debate to discuss at considerable length what the Supreme Court has actually said and not said and how, in fact, there is nothing in McCain-Feingold that is impermissible constitutionally.

What I think we need to focus on as we go forward here is the overall disarray of the system that the Senator from Tennessee has referred to and that all of us need to address as we think about how we are going to bring people back into a good-faith relationship with their Government. There isn't anybody in politics today—neither an observer nor a critic nor a pundit nor a participant—who could properly say that the American people believe this system is on the level or believe that somehow this whole process is responsive to their real needs.

The poll data show that 92 percent of Americans believe that money is what gets something done in Washington; 88 percent of the people believe that if you give money, you will get something back in return; 49 percent of Americans believe that the special interests, the lobbyists, et cetera, basically run the Government.

I don't know how you can be in public life and not be concerned about that kind of impact on the body politic of our Nation.

If that many people believe that their representatives are affected by money, we ought to be concerned about it. If that many people in America believe that the way you get something done is by contributing money, we ought to be concerned about it.

All you have to do is listen to a fairly candid statement by one person before the committee the other day who, in giving something like $400,000 or $300,000, said that it was clearly given directly to affect that person's access and that person's ability to be able to get something done.

Mr. President, this isn't the first time that we have heard this discussion here—not by any means. We have had a century of different efforts to try to plug what most people have accepted at one point or another as a series of loopholes and try to do justice to the relationship that we want to have with the voter.

Mr. President, four decades ago, another Senator from Massachusetts, Senator John F. Kennedy, warned of the rising costs of political elections and the dangers they posed to the American political process. He said that there was the danger of political contestants "becoming deeply obligated to the big financial contributors from the worlds of business, labor, and other major lobbies," and that there was the danger of equal access to the political system being shattered.

That is what former President Kennedy said before he became President. The fact is that today equal access has been shattered. It has been shattered. The truth is today that all of us understand the impact of money on American politics, on the capacity to be elected, and on people's perceptions of our politics.

Back in 1959 when John Kennedy said a solution must be found to the soaring costs of political contests, the total amount of money spent back then on all congressional races, both the House and the Senate total, was $6.3 million—on all the House and Senate races, just about 1960.

The median cost of a single candidate race for the U.S. Senate today is $2.6 million.

In the Presidential contest prior to Senator Kennedy's remarks back in 1959, the two Presidential candidates spent a total of $12.9 million. In the last Presidential election they spent more than $150 million just in the money that is allowed to go directly into their campaigns, and over $600 million, maybe $700 million, if you count all the soft money that flowed as an excuse to do away with the other limits that have been put in place.

Mr. President, it is very, very clear that the American people have reached a point where they understand that the rising costs of campaigning is nothing less than outrageous. Last year the House and Senate candidates spent more than $756 million—a 76 percent increase just since 1990.

There is nothing in our economy, nothing in the increases in the costs of campaigning, that justifies a 76 percent increase, except the Armageddon of the new arms race we have for money in campaigns.

The more money you get, the more you can blast your opponent, the more you can put out whatever your message is, the more you can distort the electoral process.

Last year more than $4 billion was spent on all elections, and 20 years ago it was less than $600 million.

The American people, as Senator THOMPSON just pointed out, business people and others, are tired of having politicians call them and say, "Well, we need $20,000, we need $50,000, we need $75,000."

I think it is clear that the damage that such amounts of political money

have done to the increase of our public cynicism is inescapable. These amounts heighten the perception that Federal lawmakers respond to the special interests and not to the public interests; that Federal lawmakers favor those who are greedy over the needy; the Federal lawmakers are, in reality, increasingly becoming Federal lawbreakers.

We know that power has its own corrupting capacities. History has proven that many times over. Now we are seeing that money and power are becoming one and the same, and both together are having an increased corruptive and corrosive process on our system. Even if it were only the perception that that were happening, that perception is something that we ought to be sensitive to and willing to respond to.

It seems to me that the headlines of the last months, while they have been singularly directed at our party—my party—I don't think anybody here in a candid discussion of this issue could not in fairness agree that they have embroiled both parties—all politicians; the entire system.

Only a few months ago we were seeing memos circulated where leadership members of the Republican Party were chastising openly those people who give money, suggesting that they were going to get hurt in the legislative process if they continued to give to Democrats. Senator THOMPSON just talked about the sort of extortion air that hangs over this city and our system as a consequence of those kinds of threats. All of us are harmed by that.

All of us ought to be reaching for a means of being able to get rid of the capacity of any member of the electorate to make those kinds of determinations.

In the latter part of the 19th century, the chieftains of industry in this country found that the use of wealth served them well, and they used it brazenly by purchasing Senate seats from the State legislatures in Colorado, West Virginia, Illinois and Pennsylvania. The 17th amendment to our Constitution put an end to that practice, but Congress still had to use taxpayer money in order to investigate and determine the results of congressional elections in Michigan, Pennsylvania, Virginia, Illinois, and other States as a consequence of that.

Abuse of campaign funds has obviously contributed to the worst scandals that we have known in this country—the Teapot Dome scandal and the Watergate scandal. And today now we are living through another investigation of the impact that money has on the political process.

Mr. President, it just really is time for us to find a commonality of ground where we can come to some kind of compromise and agreement that the current system cannot continue to work. It seems to me clear that "the power of the Government to protect the integrity of the elections of its officials is inherent." It is something that we ought to adhere to.

That is not my comment. That was something Theodore Roosevelt said in his fourth annual message to the Congress. He said then, "There is no enemy of free Government more dangerous and none so insidious as the corruption of the electorate."

That is what Senator Kennedy was speaking to 40 years ago when he talked about how "adequate Government regulation of the elective process [is] the most vital function of self-government."

Mr. President this actually goes back to the very Founding Fathers' efforts with respect to the kind of Government they tried to put up. In the Federalist Papers, James Madison pointed out, "The aim of every political Constitution is * * * to obtain for rulers men who possess the most wisdom to discern, and the most virtue to pursue the common good of the society." And the second aim he said was "to take the most effectual precautions for keeping them virtuous while they continue to hold the public trust."

"Keeping them virtuous while they hold the public trust."

I do not think they could have conceivably imagined the degree to which our capacity to go to voters and ask for their vote has become tied to our ability to be able to raise large sums of money.

Mr. President, when I came to the Congress in 1985, and when I ran in 1984, I made a decision then to try to run for office without taking the larger sums of money. I did not suggest then at any time, and in debates since then on campaign finance reform I have made it very clear, that if regulation of some level of political action money were part of the reform system I would take it. I don't think there is an inherent problem with political action committee money. But I do think that what people object to is the perception that the large amounts of money are what somehow distort the system. And so I have run now for the Senate three times without taking PAC money. I may be the only Member of the Senate who has been three times elected since PAC money was allowed and not taken it. I am proud of that, but I have to say that I do not know if I can continue to do that with the current rate of escalation in the cost of campaigns.

Last time I ran for office in 1996, I had the most expensive Senate race in the United States of America—$12 million. I raised more money without PAC money than any other person running for the Senate—$10 million, but obviously simple math shows that that left me a gap of $2 million. And so now in my first year of my third term in the Senate I continue to spend time raising money for the race that took place a year ago. I continue to have to try to put away a debt assumed in order to run for office. I do not think people should have to assume debt to run for office, but countless Senators have done that, countless candidates are forced into doing it.

If I believe strongly in the ideas and policies I do believe in, if I want them to be heard, if I want to be able to fight for them, the way the American system is now set up, I have to do that. You have to go out and look for the money. Clearly, as we have learned, this institution is increasingly an institution which is represented by people who either have their own money or have enormous access to great sums of money. And the truth is that challenger after challenger after challenger falls short for lack of capacity to stand on the same ground as the incumbent.

Now, are there examples like the Senator from Utah gave where, indeed, a challenger may be well-heeled and an incumbent does not spend as much? You bet there is. I spent less than each of my opponents when I was an incumbent because I was not able to raise as much as they were because they had their own money and they would write their own check. I believe that our system is out of kilter because of that inequity as well as the result of the amount of money that people have to go out and raise in the system. It seems to me we have an opportunity here to be able to address all of those concerns.

I know that my colleagues on the other side of the aisle have a particular concern about the capacity of some of our supporters to be able to use their structure to unfairly imbalance the playing field—specifically, obviously, the labor movement and some other entities. I would want to say that I think that is a fair concern. If we are going to approach this fairly, then we have to find some measure of defining what that fairness is and of understanding that a fair playing field is not a fair playing field that gives our side an advantage over theirs or vice versa.

But something is very clearly wrong or defined in this debate when 45 Democrats have already signed up saying we are prepared to vote for this reform and only four Republicans have joined that effort. We are now at the magic number of 49—49 Senators prepared to vote for campaign finance reform. And since the only votes left to get are votes that must come from the Republican Party, it is fair for America to ask the Republicans to step up to fair reform. It is fair for the Republican Party to be asked now to become part of this effort to reestablish a connection between the American voter and those of us elected to represent them.

Hopefully in the course of this debate we can find that common ground. But let us not hide behind phony arguments about the Constitution, what it does or does not say about free speech.

Let us acknowledge that the Supreme Court has already defined the difference between express and issue advocacy. Let us be honest about the fact that the Supreme Court has already said we are permitted to regulate campaigns; that we are permitted to regulate contributions. None of those things does violence to the Constitution. And let us also be fair in not having some artificial debate about the new protections for labor.

No one in this country is suddenly going to believe that the Republican Party is adopting the labor movement and is going to protect every member of the unions and they are going to be the ones to come to the floor and protect them by offering some measure that somehow gives them new freedom. We are prepared to codify Beck, and we are prepared to codify the notion that people ought to be given the right to choose, but what we believe they will offer is something that seeks to go much farther than that and becomes nothing less than an effort to kill campaign finance reform.

So my hope is that this opportunity will be an opportunity that the American people will ultimately be proud of and they will make a judgment that we came together in a legitimate, bona fide effort to find common ground.

McCain-Feingold-Thompson and others, myself included, is not a bill that many people on this side feel goes far enough. There are many of us who have already compromised significantly in coming to the place of McCain-Feingold, which may be at the very edge of what may be permissible to get some kind of compromise. The truth is that many of us on this side of the aisle think anything that leaves you going out raising money leaves you exposed to the question: Well, who did you get it from? Why did they give it to you? What did you do after they gave it to you?

That is the central question that is being asked in the hearings that we are going through right now. The fact is that is the only way you will ever get away from that question: Why did that person give you the money? And particularly if it is large amounts of money. You will continue to have the corrosive connection that makes people so apprehensive about the current system. And ultimately I personally believe America will come to a conclusion that the way you eliminate the corrosiveness is to get the special interest money out of politics, allow people time to debate, allow them time to take the issues, organize, have adequate money to run a campaign, but do not make them go out with their hands out always asking for money.

That is not what we do here. We do something less than that. But the truth is that even if we were to pass McCain-Feingold as it is currently, people are going to have to go out and raise pretty large sums of money still and they are still going to be left with people asking: What did they give you? What did you do with the money? What did you do for them? I think we are better off if the question doesn't have to be asked and we do not have the suspicion hanging over our heads.

In addition to that, it seems clear to me that McCain-Feingold seeks also to have increased enforcement. We have no enforcement today. People wonder why the current system is out of control. It is out of control because it is set up in a way that perpetuates a lack of control. You have an FEC that can never make a decision; they are unwilling to make a decision. It is divided up evenly between Republican and Democrat representation so there is an even number of votes, nobody can break a tie, and nobody wants to come in. If we can't have regulation of laws we put in place, of course, we are going to have violations.

So all we are seeking to do in this legislation is put a little teeth into the concept of enforcement. The other thing we try to do is have some kind of limitation on the capacity of wealthy candidates to be able to simply walk in unfairly and pour enormous sums of money into the campaign. We do it in a way that is totally constitutional because they are still allowed to go out and do it if they want, do it under another structure, but it seems to me that all we do is have an incentive for them not to do it because obviously under the Constitution we cannot limit their right to spend their own money.

I cannot imagine that most people believe this institution ought to be an institution exclusive to those who have enormous amounts of wealth. And there is a disproportionate representation already with respect to that relative to most of the country. And that is not, I am confident, what the Founding Fathers envisioned. The McCain-Feingold base package that has already been scaled back from the original McCain-Feingold is really already a significant compromise by many people in the effort to achieve reform, and over the course of the next week or so we will have an opportunity to test the constitutional issues, an opportunity to test whether or not anybody is left out.

I might just comment about that. I heard my colleague from Kentucky talk about how people would be diminished in their ability to participate. Well, once again, I point to the experience of what happened in Massachusetts. We had a very robust debate in Massachusetts, Mr. President. Many people might say we had too many debates. We had nine 1-hour televised debates—nine of them. I think five or more were statewide televised, others were on C–SPAN, a couple of them were local. But together with the coverage of the free media, the press, which I think did a good job of trying to bend over backward to present both points of view, both sides, a side-by-side presentation of issues, there was no lack of dialog and no lack of debate. But what we did was keep the craziness out; we kept the cacophony out; we kept out of this wild extraordinary race for the extra dollar the group that distorts. We had a campaign where people could hear the issues. We had a campaign where people could listen to the candidates. We had a campaign where there was a premium for people on the ground to be involved organizing, street for street, community for community.

That is what American politics is supposed to be. And I proudly say that the campaign we conducted in the State of Massachusetts for the Senate in 1996 has been written up by most critics across the country as one of the best Senate campaigns in years. I know that for myself I never ran one so-called hard negative advertisement. Every one of our advertisements was comparative, so to speak. And if I had my choice, we would have spent half what we spent on paid advertising. But I was unable to secure an agreement from the Governor that we would spend less than the amount he chose to spend.

I spent twice what I have ever spent in any Senate campaign on media. My belief is that ultimately it was not money that made the difference. It was the debate and the public dialog and the capacity of our fellow citizens to learn and understand where we stood on the issues, what we believed, what we had done or had not done and what we wanted to achieve on their behalf.

And so I believe there is a better standard, and I believe there is something that we can do that can be regulated here, that puts both candidates on an even keel but does not commit our entire system to a perpetual money chase and to the perpetual and increasingly corrosive perception that this system is up for grabs for the money which hurts every single one of us.

It is my hope, in the course of the next days, as we debate this, that we will have an opportunity to really vote on substantive amendments, and that we can find the common ground for compromise.

I have just a couple of quick comments. I know the Senator from Missouri wants to speak.

I understand some of the fears that colleagues have on the other side. As I said earlier, I think, in my judgment, if we look at this fairly we ought to be able to find ways to address some of those fears. But in the end, notwithstanding some of the constitutional arguments made and notwithstanding some of the opposition that is grounded in sort of how the politics are played, it seems to me there are some people who just don't want to give up the

money, who like the money, who recognize the advantage they have because of the money and who are willing to place the entire relationship of our Government and our citizens in jeopardy as a consequence of the advantage that money gives them.

I hope, over the course of the next days, the American people will join this debate. Americans must make it clear that they want this change now. It is on the floor. If they are adequately forceful in letting their Senators know that this is something that does matter, I believe it can have an impact and ultimately make a difference.

I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. Mr. President, I thank you for this opportunity to express myself regarding a challenge which faces the United States of America. It is the challenge of making sure that our political system operates to allow the real representatives of the people, representatives who will express the view and the will of the people, to inhabit the positions of responsibility in Government.

The American people, I think, are convinced that the current political system is flawed, and I believe they are right. But I do not believe that the answer is some sort of broad campaign finance legislation that restricts core political speech; or even that says we will penalize people who are wealthy if they want to spend their own money so only the people who are even more wealthy can pay both the penalty and finance their campaign. I believe the focus should be on enforcing existing laws, not creating new ones. This administration's concerted policy of selling access to the White House and using any and all means to raise money is reprehensible. As a matter of fact, I think it is illegal. And the answer to such law breaking is law enforcement, not law proliferation.

No doubt the administration's disregard for the law has contributed to public discontent. But at a deeper level, I believe that the sentiment that the system is broken stems from the fact that elected representatives of the people are out of touch with the people on all manner of important issues. I am reminded of Federalist Paper No. 57 in which James Madison emphasized that legislators must be given "a habitual recollection of their dependence on the people."

The best way to solve the problems we face, in my judgment, and to provide the much-needed "recollection of [our] dependence on the people," is not through making it impossible for people to express themselves, not by limiting what people can say, not by calling our opponents special interests. It is, though, by doing something that Americans have found to be a workable solution all across this country, and they have embraced it from the very highest office in the land to the very lowest office in the land. It is the concept of term limits. Term limits will provide true reform.

I believe that incumbency is the real problem in our system. Incumbency is, and always has been, the single greatest perk in politics. It is the single greatest obstacle to true political reform. It is the way in which people obscure the view of the political universe by inhabiting the podium themselves, and the challenger does not have a chance. Committee assignments translate into campaign contributions; bills mean big bucks; and over and over again, no matter how you structure it, no matter what you say about it, the incumbent continues to win.

People who have been on this floor throughout the debate so far as it relates to the so-called campaign finance reform talked about the fact that sometimes incumbents are outspent, sometimes they are not. But if you look at the data, the data are that in 90 percent of the cases—more than 90 percent of the cases in the Congress—incumbents win.

The value of incumbency is as strong as ever and, in my judgment, after witnessing what happens when you have campaign reform, you almost inevitably elevate the value of incumbency.

One of the speakers who spoke not long ago here on the floor indicated he wanted to limit the amount of money that would be spent in a campaign. He would have done so voluntarily. Well, of course. People who have 100 percent name recognition will always want to limit the amount of money that is spent. Hershey's doesn't need to advertise that it sells chocolate. It is the new company that needs to advertise. Kleenex doesn't need to advertise that it sells tissues. It is the new one that does. And the incumbents will always want to put limits on challengers. Because whenever you limit what someone can say about you, and you are an incumbent, you have the only access to the marketplace. You have the only access to the podium. It is no revelation to find that those who inhabit public office want to keep the expenditures down. They don't want competition to be able to talk about what they have done or how they have performed, or to compete with them for a position in the marketplace. They don't want the competition to be able to walk in and say, "We can do a better job."

We have watched it over and over again. In the 1996 congressional elections, which were heralded as highly competitive, here is the data: 94 percent of all Members who sought reelection were returned to Washington. Incumbency remains the biggest perk of all. The best way to get reelected is to be elected and then to stay here. And if you have a chance once you are here, vote for campaign reform, which makes it harder and harder for anyone else to challenge your message or the information you send out under your frank on the letter that you don't have to pay postage on, financed by the Government.

What competition there was, in 1996, came as a result of voluntary departures, not any weakening of the power of incumbency. Term limits, in my judgment, are a tried and tested reform. I happen to be a person upon whom term limits have operated. I was the Governor of my State. It's an awful good job being Governor. If anybody ever offers you the chance to be Governor, take it. I know a number of you in the Senate have previously been Governors. They are such good jobs that people would struggle to keep those jobs.

Sometimes jobs are so good that people will do illegal things to keep them. I won't cast any specific aspersions, but we saw an awful lot of activity in the national election in 1996, where people were apparently willing to have dealings with some pretty shady characters, even folks from overseas, even overseas governments, in an effort to keep jobs.

It seems to me one of the things we ought to do is to say to people: These jobs don't belong to you. They belong to the people of this country. We ought to level the playing field, occasionally, and make it possible for people to come in. If we are really interested in offering the opportunity to new individuals and to people who have not traditionally had access to power—for example, minorities and women—we ought to have term limits. Term limits will open the door and we will find out something important about the American people, and it is this: The American people are capable.

There is kind of a myth around here that the Senate is an exclusive club of 100 people; somehow 100 people who are exclusively endowed with the capacity to run the U.S. Senate and our country. It is the idea that we are the only smart ones who could get this job done. That is probably as close to coming to real humor as we get in this body; it is laughable. The American pool of talent is not shallow. It is deep. There are millions of people in this country—yes, there are millions who could do the kind of job that is necessary to run America. That is the virtue of a democracy. The virtue of a democracy isn't that you get a few people at top and you keep them there to impose their will on the country. The virtue of a democracy is that the will of the people is imposed on those who govern. We are not here to impose our will on them. We are here to reflect the will of the people.

I don't think making sure we can stay here forever and retire here, or be

carried out feet first, is what this country is all about. Let's try what has already happened in a number of other settings politically. Mr. President, 41 Governors are subject to term limits. Why? Because the people want a fair system. They want public officials who are reminded constantly of their responsibility to the people—20 State legislatures have term limits, countless State and local officials nationwide; the President, since 1951, has been term limited. As a result, term limits are enormously popular.

People know they work. This is not a proposed sort of reform about which people know nothing. This is a proposed reform with which people are intimately familiar. They have seen it work in 40-plus States for Governor. They have seen it work in their city councils, they have seen it work in the Presidency of the United States. They think "give someone else a chance" is a good idea, and so do I.

In Maine, 64 percent of the public voted in favor of term limits. In my home State of Missouri, voters have supported every term limits proposal ever placed on the ballot, by majorities as high as 2 to 1. In California, 63 percent of the people voted for term limits. In Florida, term limits passed by better than a three-fourths majority. Even most incumbents do not win by these margins, and rightly so. Most incumbents don't reflect the will of the people as dramatically as term limits do. Term limits mean no more politics as usual.

What do I mean by that? It is just this simple. A think tank known as the Cato Institute issued a study that compared the voting behavior of recently elected Members, those who have just come from the people, and compared it with long-serving Members who have been ensconced as incumbents. They concluded that term limits would have made an enormous difference. Here is what it said. The study concluded that, recently elected Members exercise greater fiscal restraint—were more careful with the public's money—and were more responsive to voters. Why am I not surprised? Those findings were confirmed by a study of the National Taxpayers' Union.

Specifically, the Cato study found that based on the voting patterns of recently elected Members, a term-limited Congress would have defeated the tax increases of both President Bush and President Clinton, and would overwhelmingly have supported the balanced budget amendment to the Constitution. No wonder people want term limits as a way of restoring confidence in government, because it would do what we really need to have done, and that is that we need to make sure that the will of the people is what is reflected here.

You know, low-cost elections are not the ultimate objective. The ultimate objective is that the will of the people should be the supreme law of this land. Above all else, term limits serve the much-need function of providing legislators with this awareness that they need to have, according to Madison in the Federalist Papers, "a recollection of their dependence on the people."

Term limits provide a reminder that the power of legislators comes from the people, and that it is no hardship to return to live as one of the people. As a matter of fact, it would be a condition to be imposed on everyone, were we to embrace term limits.

Experience has proven that we do not need a professional legislature. It has been a professional Congress, on the other hand, that has brought us such successes as the House bank, the midnight pay raises, and the savings and loan debacle.

What is wrong with the McCain-Feingold campaign finance reform proposal? I will say this, it will make matters worse by strengthening incumbents.

The McCain-Feingold proposal, scaled down or not, is an incumbent protection proposal masquerading as reform. This should not come as a surprise to us, because it is certainly no surprise to the American people. Laws written by incumbents in Washington cannot realistically be expected to have any effect other than to entrench the incumbents in Washington.

The McCain-Feingold proposal does nothing to address the problem of incumbency. Indeed, it makes it worse. The proposal would actually strengthen incumbents by regulating the one route by which challengers can hope to offset the advantages of incumbency, and that is free and open discussion of the issues. No matter how you slice it, McCain-Feingold is a restriction on the ability of people to discuss public issues, some of which could be substantial embarrassments to incumbents.

I think it is fine to restrict the politicians, but I am not in favor of restricting the people. Perhaps that is the difference between these two proposals. McCain-Feingold would restrict the people in their ability to speak. Term limits would restrict the politicians in their ability to perpetuate themselves in office.

The trappings of office provide an incumbent with a highly visible lectern. You can get to the podium easily if you are in the Senate or the House, and you can address the voters. The incumbent's voice can be easily amplified from this position of power to drown out all others. Any proposal that limits the ability of challengers and their supporters to present a different vision—whenever you say that the guy on the outside can't speak clearly, can't speak effectively, can't speak loudly, can't compete with the guy on the inside—impoverishes the very foundation of America, which is public debate. You exacerbate the problems that exist within the system that we have, and that is that incumbents are already too strong. They should be limited.

We limit the President. We limit Governors. We limit members of the houses and senates of many States. We limit city councils. We limit terms in the PTA. We ought to limit terms in the U.S. Congress. Let's put limits on the politicians, not limits on the people. Let's limit the perpetual service of politicians, not the political activity of our citizens.

Nothing—nothing—is more threatening to an incumbent than an informed individual who votes on the basis of principle rather than on the basis of personality. What good is an incumbent's name recognition with voters who want to focus first and foremost on the issues? And what does the proposal do? This proposal would limit the ability of people to express themselves and spend money to talk about issues. Of course, if it is all just down to name recognition, I bet there are a lot of incumbents who would like a proposal that would just eliminate the ability of people to talk about issues.

Cutting back on issue advocacy limits the ability of voters to inform themselves and to discuss the issues. Here we have a proposal that is going to cut down on the ability to form groups, to feel free about being involved in those groups, cut down on the ability of people to make contributions to those groups, cut down on the ability of those groups to discuss the issues.

The McCain-Feingold proposal is not just bad policy, though; it is, in my judgment, unconstitutional. Proponents of campaign finance reform talk in terms of reforming the campaign finance system because they are afraid to say what they are really advocating. What they are really advocating is the banning of political speech. I know everybody gets tired of political speeches, and we all make our jokes about political speeches, but there is nothing closer to the heart of liberty itself, there is nothing closer to the core of what it means to be free people than to have free, uninhibited, unbridled capacity in the culture and among its citizens to speak politically. Political speech is noble. It is the opportunity to put feet to freedom, to actually make a difference.

In a world in which it costs money to reach voters, if you limit spending, you are going to limit the ability of people to speak. It is that simple. Oh, we limited spending before, and what did it do? It meant that the nonincumbent had a tough time, and it also meant that people who were very, very wealthy could find their way into the U.S. Senate and House of Representatives. I submit to you that we have our share of very, very wealthy people

here. Of course, we know that there is no way ultimately to limit what a person spends out of his or her own pocket because the Constitution has been so interpreted.

So all we do when we limit everyone else is to say we want the wealthy to have more and more advantage as they singularly and uniquely can approach the podium and be heard in a society which ought to hear the voice of every man and every woman based on merit rather than based on their own personal wealth.

These proposed limits on speech are flatly unconstitutional. The Supreme Court said as much 20 years ago in Buckley versus Valeo. The text of the first amendment has not changed and cannot be changed in this Chamber.

The scaled down version of McCain-Feingold still violates the first amendment, in my judgment. The only thing truly scaled down by this new version of the legislation is the people's right to free speech. The people's right is scaled down, their right to speak freely, to express themselves, those on the outside to challenge those of us on the inside. It is compressed. I sometimes wonder why I wouldn't want to stop people from being critical of me. But you know, I think we ought to be above and beyond our own personal interests here. We ought to be talking about the public interests, not the personal or political interests of incumbents.

Specifically, the law attempts to limit the ability of groups to associate a candidate with his record on issues that matter most to the group. Now wait a second. The law attempts to limit the ability of groups to associate a candidate with his record. I can understand how there would be a lot of folks in this Chamber who would not like for groups of people to know what they have done or to be able to tie a candidate for reelection with his record.

Mr. McCONNELL. Will the Senator yield just for a short observation on this very point?

Mr. ASHCROFT. Go ahead.

Mr. McCONNELL. In fact, the Senator from Missouri is absolutely correct. It would give the Federal Election Commission new powers to go to court to seek an injunction on the allegation of a "substantial likelihood that a violation is about to occur."

In other words, the point the Senator from Missouri is making, the FEC would be going to court to get an injunction to shut people up so they couldn't criticize our records.

Mr. ASHCROFT. I thank the Senator for his comment. It is a chilling comment to think that the FEC, related to the Congress, could intervene to ask a court to stop someone from criticizing the Congress. It makes you wonder whether or not this is not a bill to transport us all to some regime in some other land. The soil of America would find such activity to be so repugnant that you would think it might cause an earthquake the dimensions of which have never before been understood.

America stands for something profoundly different. America stands for something. And it says that when you vote for something here, you should have to stand and answer to the people and you shouldn't be protected by an election committee or some campaign finance reform which would keep you from being charged with having voted as you did, which would keep the people from holding you responsible. God forbid the day in America when someone is free to vote here and not be responsible for that vote and can call upon some part of Government to protect himself or herself from having to respond to the people and explain the vote. Such an endeavor, as pointed out by the Senator from Kentucky, is flatly unconstitutional, and it is a shocking outrage to the conscience of freedom-loving Americans.

Incumbents enjoy the ability to trumpet the favorable aspects of their record through franked mail. They enjoy high name recognition. We get to stand on the floor of the Senate, and C-SPAN proclaims our message. We speak it ourselves. And so-called campaign finance reform, is to come in and deprive our competitors from the opportunity to speak their message. I can't believe that a Nation based on competition would want to yield the potential for that competition.

It certainly does not cure the bill's unconstitutionality that it restricts issue advocacy only during the weeks leading up to the election. Those happen to be the weeks that are relevant. The suggestion is that, well, we are going to allow people to do issue advocacy but not right before the election, so we will only forbid it when it really counts.

The first amendment of the U.S. Constitution is not something to be taken lightly. Free speech, political speech, is not something to be taken lightly, not something to be tampered with, not something to say, "Well, we'll allow you to have free speech so long as it doesn't matter, but when it gets to be important, when it is time for that speech, you lose it." Well, I see the hands of time are running out and you all are being victimized again by another so-called short Senate speech which is going rather long.

I want you to know that I do not believe this so-called campaign finance reform is real reform. I believe that this is the kind of thing that would impair our ability to have the kind of political dialog and debate that is fundamental and necessary, and I intend to propose as a substitute to this, term limits, which are a real reform. They have been tried and tested. They are no pig in a poke.

Since 1961, the Presidency of the United States has been term limited; 41 States across America have term limits for Governors, for State legislators in a number of States, city councils, as I indicated, clubs, PTAs. People know what term limits can do. They know about the need to rotate fresh ideas and people close to the constituency through public office. Term limits provide true reform; campaign finance provides the illusion of reform.

I plan to offer term limits as a substitute for the McCain-Feingold version of campaign finance reform. I want to force a vote on true political reform, not illusory reform that will be struck down by the courts.

There is just one clear answer as far as I am concerned. The answer is to limit the politicians, not to limit the citizens. Limit terms, not speech. A viable and vigorous political debate in this country is essential to the survival of this democracy. We know we can do with a new set of politicians in office. As a matter of fact, in many offices across this Nation, we have seen that when we rotate people through those offices, we get better service. No wonder people endorse term limits. We should limit politicians, not speech.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. GRAMS. Thank you very much, Mr. President.

Mr. President, I would like to take a few moments and discuss some of the points raised by my colleagues today on the subject of campaign finance reform.

Proponents of campaign finance reform have expressed concern over the cost of Federal election campaigns. One Senator stated that the cost of campaigns has increased 73 percent over the last 10 to 20 years. However, the cost of most things in life have also increased. For example, the Federal Government has grown so much over the last three or four decades that it spreads out and touches nearly part of our lives. In fact, there was a study which found that the Government involves itself in about 60 percent of everything we do today.

The Federal Government's intrusion in the lives of my constituents has led many of them to either become involved in campaigns or travel to Washington to have their voices heard about the role of the Government in their lives. Congress should not suppress the ability of Americans to have their voices heard.

If we go back to the level of Government that we had in 1930, we would not see the need for the number of people who have to travel out here day after day, year after year to get their points across, to let the Government know how certain legislation is going to affect them, good or bad.

We often hear the phrase, "The system is broken." The average campaign

today costs about $4.5 million on average and the cost should be debated. However, the cost of political campaigns is still less, as we heard many times, than we spend every year on advertising for potato chips, yogurt, or toothpaste.

So are the campaigns getting out of hand in the amount of money we spend? No. In fact, there are those who argue that we need to have more Americans involved in politics to have their voices heard. That is what makes a great democracy. The more involved you can get in what the Government does, the more that Government is going to respond to your needs and the needs of the country.

Mr. President, the system is broken. It is a club for millionaires or could become a club for millionaires. If we continue to impose new restrictions, that is exactly what would happen. It would only be millionaires who would be able to run for office. So, in other words, we would cut off the average American's chance of ever running or holding any public office, to come and bring concerns to the floor of the U.S. Senate, the House of Representatives, or even in the State houses.

I have also heard people say that "Fundraisers used to be held around Senate schedules. Now it's just the opposite, that the Senate schedules are held around fundraisers."

That isn't true in my office. We try to spend the vast majority of our time doing the work that we were sent here to do. Yes, we are going to face a campaign; yes, we are going to have to raise money, but we are sure not going to make the work that we were elected to do a lesser priority. I do not believe most of our colleagues have done that. But that is one of the charges issued today.

If we increase the limits on the ability to raise *X* amount of dollars or we are required to accept smaller contributions, we will discourage many individuals who would like to campaign and serve in Congress. These individuals will have to spend more time trying to raise money than doing the job that they were elected to do. It gets to be a money chase, as we have heard here many times today.

Each election, however, is like a basic ad campaign. Every candidate needs to communicate a message. Every candidate needs to be able to go out and talk to the voters to tell them what he supports, what his agenda will be, how he is going to vote on the important issues.

If he does not have a chance or the opportunity to communicate his view to the voters, how are they going to know what this candidate represents? How are they going to know what to expect from him, and how are they going to make a decision between candidate A and candidate B?

When you look at costs—I believe it was said earlier, too, today it is about $1.2 million to buy a 30-second ad during the Super Bowl. Now, we are not going to advertise during the Super Bowl. But if you go into an average television market across the country, an average spot for 30 seconds today is going to cost you over $3,000. Now, again, that is a lot of money, but you are going to have to run a decent campaign again to deliver your message.

We need to inform our voters. If we cannot, as candidates cannot tell our voters how we are going to vote, what our values are, what we are going to stand up for, how we are going to vote on special issues, you can bet somebody is going to tell them that. But they are not going to tell it probably the way you would like. In other words, we are going to have opponents out there. You are going to have special interest groups, independent expenditures, or, more terrifying, you are going to leave it up to the media, you are going to allow the media to frame this debate.

I do not want a newspaper or TV station, liberal or conservative, to be out there telling the voters what they think my position is or to frame my campaign in their words. As we know, I have views about how a lot of these stories and editorials are written. So if we leave it up to the editorial pages of our newspapers, or television reports and other stories, I do not think they are going to get the accurate picture of the campaigns or the candidates involved. A truly informed electrorate will result from preserving the free speech of people to become involved in these campaigns and the right of candidates to communicate their agenda.

What we are hearing today in the Senate is to put on more limits. "The system is broken." We hear that again. "The public is cynical." I do not think they are cynical about honest campaigns. But they are from the headlines of those who have broken campaign laws. That is what you should be cynical about.

We heard Senator KERRY here just a few minutes ago talking about his last campaign, spending in the neighborhood of about $12 million. That was a tough race. That is a lot of money. But have we heard any charges of illegalities involved in the race? No. So did the amount of money corrupt the race? Evidently not.

So it isn't the money. But it is real chutzpah—if you know what the term is; that is really "in your face"—when we have those who are out there calling the loudest for campaign finance reform saying that it could even involve a special session of Congress. I would call that "a good defense being a good offense." In other words, let us deflect the real problem of the issue today, and that is over the problems of past campaigns, those who have broken the laws but yet are calling for new laws to be implemented. In other words, the chutzpah is similar to a saying in this morning's paper, "It's like the person who killed his parents and then argued for mercy from the courts because he was an orphan." "Stop me from killing again. Do not allow me to go out and break these laws again. Let's have new laws on the books," just like somehow new laws are going to prevent the intent of breaking them.

There has been discussion about independent expenditures and establishing new limits. But, again, we cannot muzzle everybody. We are going to allow the unions to continue spending and collecting millions of dollars. No attempts really to rein in that abuse. So in other words, when it comes to reforms, it is OK to reform only if it limits my opponents more than it would limit me. Now, that would be good reform, but, again, in whose eyes? If we cannot do across-the-board reform, then no reform is good reform.

A good defense is a good offense, again, to divert attention from the problems at hand. A lot of people are looking at hearings going on in Congress this year, and you hear the rhetoric or the spin that this is all about campaign finance reform.

This is about those who broke existing laws, who abused the laws in the last campaign. That is what these hearings are supposed to flush out and look at, not by putting new limits on what we can say, who can say it, when we can say it. Who is going to determine that? Who is going to become a new censor?

What that would do is take away more of your rights as individuals to participate in any campaign, whether Democrat, Republican, independent, whatever it might be. New limits would only mean average Americans would have new constraints placed on how they could become involved in the political process. In this instance, groups, individuals and candidates would be muzzled in a free country.

Again, who would be out there talking? Again, "The system is broken." Their answer, "Put more controls on free speech." But in order to do that, it means bigger Government. "More Government is the answer. If we can only put a few more controls, put a few more limits, spend a few more dollars somewhere else, somehow that is going to fix the system."

The system may need some reforms. It may need some tinkering. It may need some changes. But I think overall our system is not broken. Have laws been broken? Has the system been abused? Yes, it has. That is exactly what the Thompson hearings have been trying to find out. But they have been blunted by those who have been accused and, yes, even charged with breaking those very laws. They say, "Well, if we did, we're sorry, but we need to push for new laws. We need new changes."

If there are those in Congress or any place else who would sell their integrity for a $2,000 contribution rather than representing the millions of people back home—by the way, an individual contribution is somewhere around the neighborhood of $25 per contribution—if there are individuals who would do that, they would be easily found out. If they are going to vote that way or betray the trust back home, they are going to be found out. If they are found out, they should be thrown out.

But I believe nearly all, if not all, Members in this body are very honorable men and women who work very hard to try to serve their constituents back home, Republicans and Democrats, having the best interests of their constituents back home at heart. They try do that with a lot of honesty.

But what are Americans to think if they hear day after day that campaigns, that Congress, is corrupt, that it is for sale to the highest bidder? Again, if there are such individuals, they will be found out and they will be thrown out. But I believe the public concern of campaigns in a large part is not because of the system itself but because of those who have abused the system, those who have broken the laws, and they remain unpunished.

New laws, I do not believe, will cure the intent of those who want to break them. So I say, let us open the system, let us have full disclosure—Who contributed to the campaigns? How much did they contribute?—so that the public can judge who is supported by whom, which groups are involved, what are the issues at stake.

Let us not put the Federal Government in control. Isn't public involvement better than having censorship by the Federal Government? You know, most people have a real concern today about big Government. A lot of people say they do not think a bloated bureaucracy can provide the best service today. They have sent many of us here to Washington with the charge of streamlining and downsizing the Federal Government that they believe is out of hand, unwieldy, spending too much money.

Is the way to fix the campaign finance system by putting more control of the system into the hands of the Federal Government, to give them more control, more power, and, yes, even censorship on what you can say, when you can say it? Is it negative? Is it positive? Who is going to decide all of that?

I believe Americans as a whole want the ability to participate and to participate in the elections as they choose.

With that, I yield the floor.

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Let me thank my colleague from Minnesota for a fine contribution to this very important debate and assure him I agree with his views virtually 100 percent. An outstanding contribution.

I yield the floor.

Mr. TORRICELLI addressed the Chair.

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

Mr. TORRICELLI. Thank you, Mr. President.

Mr. President, at the outset for my participation in this debate I congratulate Senator FEINGOLD and Senator MCCAIN for their months of effort in constructing a comprehensive program to deal with the problem of campaign finance and for bringing the Nation and the Senate to this moment of debate, but also Senator DASCHLE, whose tireless efforts have also brought us to this moment of judgment, and Senator LOTT for scheduling this debate.

I, also, in listening to this morning's discussion, want to compliment Senator MCCONNELL. For, while I do not share his ultimate judgments on the McCain-Feingold bill, he reminds us of an important principle in the debate. And that is, there may be problems in how we finance our campaigns, the problems of money in American politics, but Senator MCCONNELL reminds us there are real constitutional limitations in how we approach this issue and that ultimately the Nation does not suffer from too much political discussion or too much debate among candidates but too little. So while I differ with his ultimate judgment, I think the Senate is well served by his limitations in how we approach this question.

Mr. President, for my own part, I enter this debate with a reminder to all of my colleagues that there is nothing short of the credibility of our entire form of Government that is at issue. The world's oldest constitutional democracy, founded on the principle of majority rule, is now threatened by the fact that only a minority of Americans participate. It is therefore a question of our entire credibility of governance. The United States has experienced for more than a generation the continuing relentless decline in voter participation.

In the last elections in 1996, 49 percent of the American people participated in choosing the leadership of the Federal Government. It is, Mr. President, a serious issue. For a long time the leaders of the U.S. Government have found reasons to excuse the fact that most Americans do not participate in this form of Government, that the United States alone among the great democracies may now be governed by the judgments of a minority of our people alone.

I have heard all of these debates. First, we convinced ourselves that it was not convenient for most Americans to participate in our elections. So we enacted postcard registration to make it simpler. But still the American people did not come.

Then we convinced ourselves it was because people were not aware of the timing of elections. So through public service announcements and then the hiring of campaign workers, we filled the airwaves, we called people on the phone, we visited their homes to remind them, and still they did not come.

On more than a few occasions we appealed to people's patriotism to participate in the electoral system. And after all these efforts, most Americans are still not participating.

Perhaps, Mr. President, there is another reason, painful to admit, but unmistakable: The majority of Americans who are not participating in Federal elections did not forget to vote, it wasn't inconvenient to vote; but by their failure to participate they were expressing themselves. Not participating in an American election is a means of expression. It is a vote of no confidence, not simply in the candidates or the political parties, but in the process itself.

In truth, there are myriad reasons. The sterility of the debate, perhaps because people perceive no real choices, no relevancy of the political discussion to their own lives. Perhaps it is because the decline in the quality of journalism itself, where character assassinations become a substitute for discussion of real issues. Or perhaps most important, most insidious, it is how we are financing our campaigns. The sense of most Americans that voting is not a determinant of a decision, where money has become the principal determinant of the outcome of struggles for political power.

There is perhaps no better witness for this argument than one Roger Tamraz, who appeared before the Governmental Affairs Committee only last week. By his own words he had come to the conclusion that though an American citizen, he did not vote in Federal elections because contributing $300,000 was a better and more effective means of participating than ever casting a vote for a candidate of his choice.

Mr. President, I will admit that I rise on the floor of the Senate today as an advocate of the McCain-Feingold campaign finance bill by a circuitous route. Like many of my colleagues, I have feared campaign finance reform because of the threat of Government regulation of political speech. I have believed that free, fair and open competition among the political parties was the best means to assure that all parties were heard and that the American people ultimately ruled by majority will.

I can no longer, after the expense of the 1996 election and my own involvement in the U.S. Senate campaign in

my own State of New Jersey, remain with that conclusion. The campaign reform bills of 1974 and their revision in subsequent years are no longer working. There is no governing electoral authority in the Federal statutes.

Through a series of decisions by the Federal courts, the practical expense of the political parties, the governing statutes are being evaded, violated, or are simply irrelevant. There is no governing authority in this country today for the financing of Federal campaigns. While this Congress has addressed the issue innumerable times, we have made no progress. In a decade, this Senator has voted on 113 occasions to reform campaign finance and come to no conclusions. The Senate has considered 321 pieces of financial reform legislation, heard 3,361 speeches, and filled 6,742 pages of the CONGRESSIONAL RECORD with debate. It cannot go on. We are at a genuine critical point in the political history of this country.

Some would argue that there are some modifications that can be enacted without fundamental reform, and we will meet our responsibility to improve the process, declare success and simply move on to another Federal election in 1998. I am of a decidedly different view. I believe it would be worse to deal with this problem in the margins and declare that we have done much than to deal with this properly and fail and at least be honest with the American people that the problem exists. That is the choice because many, I will predict a majority, of the U.S. Senate, will decide that we can ban the use of soft money in the political process, do nothing about independent expenditures, express advocacy, the cost of television time, overall campaign spending, and still declare success.

To me, Mr. President, that will be the worst outcome because this problem is not only serious, it is complex, and goes to every aspect of the campaign finance system.

First is the problem of controlling express advocacy groups. There is a real threat that the national political system is evolving into a debate where special interest groups will argue over the heads of the American people in multimillion-dollar campaigns in which neither candidates nor political parties are able to participate. Single-issue advocacy groups with virtually unlimited funding, distorting the issues, steering the campaigns, with candidates who are unable or without the resources to even participate. An American political system with campaigns by surrogates.

The McCain-Feingold bill, by at least attempting to limit the ability of these organizations to distort candidate's positions or enter into the debates as their surrogates, addresses this issue. But without this provision, the overall legislation would be meaningless, and indeed in my judgment, counterproductive.

There is, of course, the issue of foreign money where not only must the law be clear, but the penalties high, where people who seek to participate in our system but do not share our nationality. There is the obvious problem of soft money, unregulated, undeclared, unknown participants in the financing of Federal campaigns who opened a door which has now become a monstrous window through which millions of dollars flow, distorting the very purpose of campaign finance disclosure or control.

There is the effort at the prompt disclosure of campaign contributions so that every American makes their own judgment about who is contributing, how much, what they represent, and whether they can then identify with a candidate receiving those contributions. They are all a part of the McCain-Feingold legislation, each critical, but each an integral part that if eliminated from the legislation weakens the whole effort at reform.

But then finally there is one aspect of the McCain-Feingold bill that has not survived to this debate on the floor of the Senate, but in my judgment must be added before genuine reform has been achieved and this Senate concludes this debate. It is the issue of reducing the cost of television advertising. Behind the spiral of rising campaign costs is the issue of the cost of television advertising. There is no increased cost in American campaigning without the cost of television advertising. They are one and the same—inescapable in the conclusion. The cost of campaigns have increased 72 percent in the last 6 years alone. That is overwhelmingly driven by network television. In my own campaign for the U.S. Senate last year, 84 percent of all the money raised went to television advertising.

An amendment will be offered to this legislation, appropriately called the challengers' amendment, because largely incumbents will always raise the funds necessary to feed the television networks but challengers cannot. Unless and until we reduce the cost of television advertising, this becomes a process open to incumbents or multimillionaires only. The average American will never be able to participate in this process and will be excluded at the Senate door.

But make no mistake, the vote for campaign finance reform is not a vote for the McCain-Feingold financial legislation. It is a vote for the challengers' amendment. Consider a process where as in the State of New Jersey the average cost of a television advertisement is $50,000. Some single 30-second ads can cost $100,000. What is it that is being purchased? The television networks control this time by a public license. The air time belongs to the American people. It is granted to the television networks by license, for free. They then return to candidates for public office who seek to debate public policy issues, to communicate with the American people who own this air time and charge millions upon millions of dollars.

Now here I agree with the Senator from Kentucky. The answer is not to reduce the amount of time that candidates have on the air to discuss their issues. It is not to regulate what those candidates communicate to the American people.

The Senator from Kentucky said less than 1 percent of all the advertising last year in the most expensive political race in American history was political advertising. In the midst of deciding about the American future debating these important critical national questions, American people were still hearing more about the sneakers of choice, the best and worst toothpaste, or how it is they should feed their cats and dogs. There is not too much political discussion, but it is too expensive. It is wrong.

In a proper process, the great corporations that own the television networks as a means of political responsibility should have come forward and offered this time for candidates to debate or reduce the cost of advertising to discuss their respective issues, but they have not. They were challenged and they failed. Now it is up to the Congress.

Some would say it is unconstitutional. It is the taking of property of the television networks. But indeed we crossed that threshold a long time ago in reducing only marginally the cost of advertising for charities and political debates. The problem is we reduced it only marginally, leaving the cost far, far too high. There is no right of a corporation to own a license. It is a license for air time that belongs to the public. It is granted and it is responsible that costs should be reduced.

Sometimes it is almost unbearable as a Member of the Senate to hear the television networks with their anchors on the evening news berating the political system, challenging the candidates for public office, the President and the Members of the Senate to do something about campaign finance reform, reduce its cost, reform the process. The problem is the cost being charged by the television networks themselves. What are all these fundraisers? What is it we are doing running around the country raising money endlessly, from interests where we should never be seeking money, spending time that should be spent with citizens debating issues? It is to feed the networks that are demanding this money. When the challengers amendment we will have a chance to do something about it, to reduce the costs.

Mr. President, that comes to a final objective in McCain-Feingold and the whole system of reform. Every American knows that there is a problem of

too much money. I have made clear my own belief that there is also a problem of too much cost in advertising. But there is one other element that drives this reform effort. If most of the problems of the American people were represented by those who had money, this reform legislation would be much less important because there is more than enough contact between candidates for the U.S. Senate and the House of Representatives and people who are able to donate and attend fundraisers. We see thousands of Americans at hundreds of fundraisers. There is no lack of communication or discussion of public policy issues. The problem is that most of the American people who have the most serious problems in their own lives don't have the money to attend these events. And since they cannot attend these events, they are not being heard and their problems are not getting addressed. They are outside the process.

What is driving the need for campaign finance reform, in my judgment, is to free the candidates to once again discuss issues, to campaign on the streets of America with people who have no money but do have real concerns.

Mr. President, this is a debate that it would be difficult to overestimate in its importance. The McCain-Feingold legislation is about campaign finance reform, but it is also about something much more fundamental. We are debating the integrity of the U.S. Government, whether or not the American people, a majority of whom no longer participate in this electoral process, can once again identify with the national political debate and at some point in the future return to participating in this system of government.

I do not know how long, if we fail to reform this process, levels of participation will continue to decline while the Nation maintains political stability and a belief in this system of government. But I know it cannot go on forever. We may or may not succeed with the McCain-Feingold legislation. Perhaps some will succeed in passing a lesser measure dealing in the margins of reform and leaving the larger problem unanswered. If they do so, they do a disservice to the Senate and to the country.

Mr. President, before this debate has concluded in the coming days and weeks, I will return again. But I am grateful for this chance to share a few opening thoughts on what is a critical moment in the life of the Senate.

Mr. President, I yield the floor.

Mr. McCONNELL. Mr. President, before the Senator from New Jersey leaves, if I might just impose upon him for a few moments. I was listening to his comments and his enthusiasm for the portions of the McCain-Feingold bill that seek to make it more difficult for citizens to engage in issue advocacy and to change the rules with regard to independent expenditures.

I make reference to a letter I received from the American Civil Liberties Union earlier this year discussing those two types of citizen expression. Quoting from the letter:

> Two basic truths have emerged with crystal clarity after 20 years of campaign finance decisions.

That is after a whole string of cases, beginning with Buckley.

> First, independent expenditures for "express electoral advocacy" by citizens groups about political candidates lie at the very core of the meaning and purpose of the first amendment.
>
> Second, issue advocacy by citizen groups lies totally outside the permissible area of Government regulation.

I say to my friend from New Jersey, on what basis does he reach the conclusion that there is any chance whatsoever that these portions of the McCain-Feingold, since there is no hint that the courts are ever going to tamper with express advocacy—there is a whole line of cases, the most recent one about 3 months ago—does my friend from New Jersey think there is going to be some revelation in the courts? Are they going to rethink 20 years of decisions in this area? Or does he think we ought to just pass, blatantly, unconstitutional legislation regardless of what the Supreme Court says?

Mr. TORRICELLI. In response to the Senator from Kentucky—though it is not the thrust of his question—I will return to the major inquiry. I will share publicly what I discussed with the Senator previously privately; that is, my concern that if he is correct that the Federal courts will not allow McCain-Feingold, as currently written, to deal with express advocacy or independent expenditures, then we face a fundamental problem in that express advocacy and independent expenditures would be unregulated while we would be reducing the ability of the political parties or candidates to express themselves. We would, therefore, be dealing with campaigns by surrogates over the heads of the political parties and the candidates.

In my judgment, that does not constitute reform, and it raises the question, as I expressed to the Senator privately, whether there should be a severability clause at all in this legislation because, in my judgment, if you cannot constitutionally deal with express advocacy and independent expenditures, I, speaking only for myself, do not believe that we can regulate the candidates in the political parties as envisioned by this legislation. That issue remains before the Federal courts.

Now, finally, dealing with the Senator's question, it is my own belief that the Constitution can be satisfied, and I hope we can gain the Federal Court's approval, by allowing express advocacy of issues by people who do not name candidates or a campaign in their express advocacy and, hopefully, channel people's interest and finances to the political parties and the candidates separately. Therefore, every citizen has two routes of involvement—the political parties and a candidate of their choice or express advocacy without advocating an individual candidate independently. But I will concede to the Senator from Kentucky, I believe it is an open constitutional question. There is an invitation here to the Federal courts. I simply hope we can get an affirmative reaction from the courts. But I do not disagree with the Senator from Kentucky; it is an open issue.

Mr. McCONNELL. Mr. President, if I may regain my time. The Senator from Washington has been waiting to speak. Mr. President, it is not an open constitutional question; it is a closed constitutional question. There is no chance that the courts are going to allow these kinds of restrictions on independent expenditures and issue advocacy.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. GORTON. Mr. President, many of the constitutional questions that are debated here today in the context of the validity of this bill have already been debated this year in a more open and more refreshing manner. When those who propose to limit free speech on political issues had the courage to propose an amendment that would restrict the first amendment right of free speech on political issues, while they were, in my view, entirely wrong, while they proposed a disaster to the most fundamental basis of free government, they at least had the intellectual integrity and consistency to recognize that what they wanted to do was inconsistent with the first amendment as it has existed from the time of the first Congress until this day.

Now they produce a bill with two fundamental flaws. In most respects—many at least—it is clearly unconstitutional and, in every other respect, it is bad policy. I think I would like to make a few remarks about the way in which political debates are conducted in this country surrounding election campaigns. I will try to deal a little bit about the way the McCain-Feingold bill treats these various communications. And perhaps I will elicit a few additional remarks from my friend from Kentucky in doing so.

In 1974, when the present campaign finance law was passed—with the support, I may say, of just those people and organizations and newspapers that now find how great a failure that 1974 law was and, like the drunk waking up the morning after with a hangover, prescribed the hair of the dog that bit

them—their focus was on candidates, on the source of money for candidates to express their ideas through the mass media. In that focus, they prohibited a wide range of sources of money and greatly limited other sources of money, so that a candidate may not take more than $1,000 per election from an individual, or more than $5,000 from a political action committee, an organization that was created, in effect, by that 1974 law. So they placed severe limits on the one kind of political debate for which each candidate is totally responsible. No candidate can avoid responsibility for what he or she says in public, in print, or on television. This forum of advocacy is now subject to severe limits as a result of the 1974 law.

Now, it is interesting to note that much of the support for the kind of bill or the kind of ideas that are reflected in McCain-Feingold, the kind of ideas that have just been presented by the Senator from New Jersey, stem from the fact that mass campaigning costs money, the money has to be raised by individual candidates, and the candidates don't like to spend the time raising money that the 1974 law requires. So we are told that the candidates ought to be supported by a subsidy from the Federal Government or a subsidy from the private sector in the form of noncompetitive prices for television advertising.

Mr. President, I can certainly sympathize with the views of those who do not like raising money for their own candidacy. I couldn't possibly claim that I do myself. But to exactly the extent that it takes candidates too long to do so is a direct result of the reforms of 1974. And this reform in McCain-Feingold will make that situation far worse because the limitation on sources for candidates are tightened. So candidates, in order to get their own message out, will have to spend more time raising money.

As an incidental, I think it is not at all unhealthy that we who have this rather exalted status as U.S. Senators should be forced to go hat in hand to our constituents and to others interested in the political process and show a little bit of humility and ask for that support. Many of the supporters of reform feel that that is somehow demeaning, and that the Government ought to come up with the money that they use to engage in their candidacies. Personally, Mr. President, I think they might just as well advocate lifetime terms for Senators. Certainly no one would be subject to pressures from campaign contributors under those circumstances. But the very mention of that process simply shows that an attempt to avoid responsibility is an attempt to avoid responsibility, whether it is called lifetime terms and avoiding democracy entirely, or whether it simply comes in the guise of saying that the Government ought to pay for these campaigns.

In any event, Mr. President, the first defect, though perhaps not an unconstitutional defect, of this bill is that it takes the very set of rules that have created the demand for more rules for indirect spending and makes them worse. It takes the very criticism of the time candidates spend raising money and requires them to spend more time making money, and does it in the one area in which the candidate can be called to order, can be held responsible by his or her constituents: that is to say, spending directly by a candidate on his or her own campaign.

The immediate result of a restriction of this first form of free speech—that on the part of candidates—was to push those who are vitally interested in the decisions that we and other candidates across the country make with respect to public policy away from supporting candidates into supporting political parties.

Most academics over the course of the last 30 or 40 years have decried the decline of political party discipline and accountability, and have said that one of the shortcomings of American democracy is that parties don't mean very much; that they have very little political influence even over the candidates who are elected using the party name, and have called for methods of creating a greater degree of cohesion and party responsibility. Yet, when the two major political parties have discovered a method of raising money and are advocating directly or indirectly the election of candidates carrying their name, that very system is now considered by the reformers to be such a terrible tragedy as to cause the introduction of a bill that will make it practically impossible for either major political party to raise sufficient amounts of money, either to call for a certain degree of responsibility on the part of its candidates, or to get its message across to the American people.

I think I do agree, I say, Mr. President, to my friend from Kentucky, that that portion of constitutional opinion of the 126 scholars, or whatever the number was that he mentioned, with respect to limiting contributions to political parties, is probably correct. I seriously doubt a form of contribution can be prohibited. But on the basis that contributions to candidates can be limited, contributions to the parties can probably be limited. It doesn't make it a desirable course of action. It makes it a highly undesirable course of action.

Mr. MCCONNELL. Will the Senator yield at this point?

Mr. GORTON. I will.

Mr. MCCONNELL. I think the Senator from Washington is correct. There are simply no cases on the issue of whether the Congress could in effect federalize the two national parties; what McCain-Feingold seeks to do. Soft money by definition means non-Federal money. Our two great national parties get involved in Governors' races, county commissioners' races, legislators' races, and so on.

This bill seeks to basically turn them into Federal parties, and take away their ability to participate outside the Federal system.

The Senator from Washington is entirely correct. There simply aren't any cases on that point because nobody has ever thought that was a good idea before.

So I think my colleague is correct. Even if maybe some court would rule that you could do it, it is not a desirable result.

Mr. GORTON. The answer to that from my perspective, as the perspective from the Senator from Kentucky is, of course, it is not. Of course, it is highly undesirable. It will atomize the political system. It will make Members far more free than they have been even in the past from any loyalty as a party, and thus reduce the ability of a Congress or of any other body to reach coherent decisions, but, more importantly than that, will reduce the ability to communicate a coherent set of political ideas to the people of the United States in connection with election campaigns. That is why it is so tremendously undesirable. Even if I am correct that it is constitutional to create such limits, they certainly violate the spirit of the first amendment which is designed to create a field in which the widest range of political ideas can be communicated in the broadest possible fashion.

However, when we get to the third way in which money can be spent to communicate political ideas, I find myself in total agreement with the Senator from Kentucky. That has to do with direct expenditures on advocating the election or the defeat of candidates by persons unconnected with political parties.

Before I get to that, we started with the fact that money that is given to and spent by candidates certainly carries with it a huge responsibility. Candidates cannot avoid responsibility for what their political ideas are that they express with their moneys they spend on their own campaigns. They get a degree of protection from their own political party when it spends money. They can say "No, that really wasn't quite right. I didn't really believe in that attack on my opponent." It is hard to shed that responsibility completely because each candidate has chosen a political party, and its political party's name appears beside his or her name on the ballot. But the responsibility of a candidate is only indirect.

In other words, the party's advertisements, the party's communications bluntly can be less responsible than the candidate's own expressions. The candidate has a certain degree of invulnerability from any such irresponsibility.

But, by definition, when another group, or another wealthy individual, decides that the election, or the defeat of a candidate, is important enough to want to spend a significant amount of money on it and engages in that activity without consulting the candidate or the party, that communication beyond the slightest shadow of a doubt is protected by the first amendment—beyond the slightest shadow of a doubt.

This complex and Byzantine form of regulation in the present law, which would be made more complex and more Byzantine by the passage of McCain-Feingold, raises this question of whether or not expenditures are actually independent, and creates a bonanza for lawyers and for accusations. But it doesn't need to exist in an intelligent system. But clearly when those expenditures are independent, they can advocate the election, or the defeat of a candidate, with entire impunity. They are protected by the first amendment. They ought to be protected by the first amendment. They will continue to be protected until we repeal, or modify, that first amendment, and decide that we ought to choke off free speech on political ideas.

Well, obviously, the candidate who benefits from these independent expenditures has absolutely no responsibility for them whatsoever. However scurrilous or inaccurate they may be, they are not the candidate's fault. They are independent of the candidate. The organization of the individual who was presenting them or paying for them and does not appear on the ballot can't effectively be held responsible in a political sense for that form of communication.

So, first, in 1974 we forced expenditures from the most responsible use to a less responsible use. Now, if we pass McCain-Feingold, we force them into an entirely irresponsible channel, even when we are dealing directly with the election or the defeat of candidates. But, Mr. President, the real point is we cannot stop the money from being spent.

The decisions made by the Congress are vitally important to people's lives, and the people whose lives are affected by them are going to try to affect elections for membership in this body and in the House of Representatives. Obviously, they have to have that right in a free society.

Well, then we move on to the fourth method of communicating ideas. That goes to the benefit of this debate under the title of "issue advocacy." Again, any individual, any group, has a total complete protected right to communicate ideas or views about political ideas. Again, these reforms create this totally artificial lawyer-enriching distinction between an independent expenditure on behalf of a candidate and issue advocacy, an issue different but a distinction in the real world, but one that suddenly becomes very important when you want to get Government involved in all of these ideas.

Were the advertisements by the AFL-CIO all through the last election campaign that said, "Tell Congressman X to stop destroying Medicare" issue advocacy? That is what the AFL-CIO claims. In fact, of course, they were designed to defeat candidate X in the next election.

Mr. President, let us be absolutely certain that the AFL-CIO and every other organization has a perfectly totally protected constitutional right to engage in that activity, and to engage in independent expenditures directly at the same time.

That is a separate question as to whether or not we ought to require a labor union, or any other voluntary organization organized primarily for one purpose, to not spend the money of its members on an entirely different political purpose without their consent. Clearly, we can require that consent in any reasonable way which we propose, but once that consent is granted, the constitutional right is absolute.

Then, fifth, Mr. President—and the Senator from Kentucky outlined this question I thought with great simplicity and clarity and elegance a couple of hours ago—fifth, of course, we have the newspapers and the television and radio stations, the forms of mass communication in this society which enter into this struggle gleefully, at great length, continuously and totally protected by the first amendment.

We on this side of the aisle can complain about the fact that most of the major metropolitan newspapers, editorial writers and their reporters are biased to the left, but none of us for a moment claim the right to control their speech or to say that they can't write editorials or that we have the right to say their news stories are biased and keep them out of the newspapers or out of television stations.

I must say, and I trust that the Senator from Kentucky will agree with me, when we use this pejorative "special interest," these newspaper editorial writers do have a special interest in restricting all other forms of free speech about politics so that they can occupy the field alone or almost alone and greatly increase their influence over the actions of the voting public.

Mr. McCONNELL. If I could ask my friend from Washington, I listened carefully to his observations about independent expenditures, which are so-called hard money, federally regulated within the FEC jurisdiction, and his observations about non-Federal money, soft money, which is outside the Federal jurisdiction, both of which there are whole lines of cases—I have counted 13 here just in the few moments I was listening to Senator from Washington—making it abundantly clear there is nothing we can do here in the Congress to restrict either.

My question to my friend from Washington is, if a Member of Congress were sort of cynically approaching this issue and his real goal was to weaken, for example, the Republican National Committee, would he not be pretty safe to advocate some kind of new restrictions on independent expenditures and issue advocacy since there is literally no chance the courts would uphold it and take the gamble that a court might, never having ruled in a whole area of party soft money, weaken the parties with a ruling saying it is possible to federalize the two parties; organized labor would then, as the biggest force engaging in issue advocacy, still be totally unrestricted, as you and I think they should be. And since the Republican National Committee responds to those issue advocacy campaigns with its soft money, would not such an approach benefit substantially, it could be argued, our dear colleagues on the other side of the aisle for whom the AFL-CIO issue advocacy is almost 100 percent favorable?

Mr. GORTON. There is little question but that that would be the result. In fact with my own views on where the constitutional line is likely to be drawn, it seems to me that would be almost the inevitable result of the passage of McCain-Feingold. Its restrictions on money to political parties might well be upheld, probably would be upheld at least in part. It is possible that they would be upheld in their entirety. Their other restrictions will inevitably be found to be unconstitutional.

So we have now restricted the candidate's ability to communicate his or her ideas. We have restricted the political party's ability to reflect their ideas and the ideas of their candidates, the Democratic Party as much as the Republican Party. But because, at least as politics are constituted today, those additional interests, especially organized labor, are primarily on the Democratic side, we have enhanced their ability to communicate, or we have increased their competitive ability to communicate. Let's put it in that fashion. More of the airwaves, more of the mass media will reflect their views. For that reason, because of the general bias of most newspapers and their reporters and their editorial writers and television commentators, Republican candidates historically depend far more on their own ability to raise money and the ability of their party to raise money than have candidates on the other side.

But there is a risk. The law of unintended consequences could easily result in a few years in a reversal of that situation, and the benefits of the spending might very well end up on this side of the aisle. Certainly the unintended consequences of 1974 are exactly what we are dealing with here today.

My focus, however, is on the fact of responsibility. It is appropriate for voters to hold candidates responsible for the ideas that they communicate. It is reasonably appropriate for them to hold political parties responsible. But they cannot hold candidates responsible for a form of communication over which the candidates have absolutely no control. So negative campaigning, it seems to me, will increase rather than decrease with the passage of this bill. Irresponsible charges, unprovable charges, false charges will increase rather than decrease if we should pass this proposal.

But the fundamental point is the amount of money in the political system will not decrease at all because those who feel vitally affected by what happens in politically elected bodies will find a way to spend that money, will be protected by the Constitution in their spending of that money, and will just do it in less responsible channels than they do today.

That, it seems to me, is the policy argument against this proposal. In fact, if we want to make campaigns more candidate oriented and more issue oriented, we would at the very least raise the limitation on contributions to candidates to the level at which they were in 1974 by reflecting the ravages of inflation since then, and we would encourage contributions to political parties. What we would do—I am certain that the Senator from Kentucky agrees with me—is we would see to it the source of those funds is reported contemporaneously and prominently. The immense amount of time and effort and money that is being spent on investigating the Democratic National Committee and the Presidential election of 1996 would, I am certain, have been absolutely unnecessary had all of these contributions and all of their sources and all of these activities been public knowledge at the time at which they were given, the time at which those actions were taken. Why? Because it would not have happened that way.

Mr. MCCONNELL. If my friend will yield, in fact the Democratic National Committee had the option to report in October, chose not to, for the very reason we all know now, that it would have been horrible publicity. So the act of rather contemporaneously disclosing, as my friend is pointing out, would have created at least a decision on their part. Are we going to take the money and take the heat or are we going to forgo the money? Disclosure would have been the best disinfectant.

Mr. GORTON. As it was they could take the money and avoid the heat.

I thank the Senator from Kentucky for his courage in this matter and the clarity with which he speaks on it. We simply cannot, consistently with the Constitution of the United States, limit political speech. We can only limit responsible political speech. We can only force money from responsible challenges into less responsible ones. We can only increase the power of the press, the very group that is most anxious to limit speech by others than its own members, and/or do what some proposed to do just a few months ago, say the first amendment doesn't work anymore and we better change it. As I said at the beginning of my remarks, that may have been, as it was, terrible policy, but it was at least intellectually honest. To present us with an unconstitutional bill is neither.

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. I thank my good friend from Washington for his really quite straight observations about this debate. They are right on point. He has articulately pointed out that in a country where the Government is $1.6 trillion a year, it is not unreasonable to assume that people would want to influence in whatever way they could the decisions that are made that affect their lives so greatly. The Court has made it perfectly clear that the ability to speak and to influence the course of events in any way that is constitutionally permissible is going to be protected, and the only really honest debate, as the Senator from Washington pointed out, was from those who stood up and said we ought to amend the first amendment for the first time in 200 years to give the Government the power to control political discourse. The good news is, Mr. President, only 38 Members of the Senate voted to amend the first amendment for the first time in 200 years. The first amendment is going to be secure today and it is still going to be secure when the debate on McCain-Feingold is over.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

AMENDING THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

Mr. MCCONNELL. Mr. President, I ask unanimous consent the Senate now proceed to the consideration of S. 1227 introduced earlier today by Senator JEFFORDS.

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

The clerk will report.

The bill clerk read as follows:

A bill (S. 1227) to amend title I of the Employee Retirement Income Security Act of 1974 to clarify treatment of investment managers under such title.

Mr. MCCONNELL. I ask unanimous consent the bill be considered read a third time and passed, the motion to reconsider be laid on the table, and any statements relating to the bill appear at this point in the RECORD.

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

The bill (S. 1227) was considered read the third time, and passed as follows:

S. 1227

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

SECTION 1. INVESTMENT MANAGERS UNDER ERISA TO INCLUDE FIDUCIARIES REGISTERED SOLELY UNDER STATE LAW ONLY IF FEDERAL REGISTRATION PROHIBITED UNDER RECENTLY ENACTED PROVISIONS.

(a) IN GENERAL.—Section 3(38)(B) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(38)(B)) is amended—

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

(2) by striking "who is" and all that follows through clause (i) and inserting the follow: "who (i) is registered as an investment adviser under the Investment Advisers Act of 1940; (ii) is not registered as an investment adviser under such Act by reason of paragraph (1) of section 203A(a) of such Act, is registered as an investment adviser under the laws of the State (referred to in such paragraph (1)) in which it maintains its principal office and place of business, and, at the time the fiduciary last filed the registration form most recently filed by the fiduciary with such State in order to maintain the fiduciary's registration under the laws of such State, also filed a copy of such form with the Secretary;".

(b) AVAILABILITY OF DOCUMENTS VIA FILING DEPOSITORY.—A fiduciary shall be treated as meeting the requirements of section 3(38)(B)(ii) of the Employee Retirement Income Security Act of 1974 (as amended by subsection (a)) relating to provision to the Secretary of Labor of a copy of the form referred to therein, if a copy of such form (or substantially similar information) is available to the Secretary of Labor from a centralized electronic or other recordkeeping database.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on July 8, 1997, except that the requirement of section 3(38)(B)(ii) of the Employee Retirement Income Security Act of 1974 (as amended by this Act) for filing with the Secretary of Labor of a copy of a registration form which has been filed with a State before the date of the enactment of this Act, or is to be filed with a State during the 1-year period beginning with such date, shall be treated as satisfied upon the filing of such a copy with the Secretary at any time during such 1-year period. This section shall supersede section 308(b) of the National Securities Markets Improvement Act of 1996 (and the amendment made thereby).

VISA WAIVER PILOT PROGRAM REAUTHORIZATION ACT OF 1997

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Senate proceed to consideration of Calendar No. 164, S. 1178.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

A bill (S. 1178) to amend the Immigration and Nationality Act to extend the visa waiver pilot program, 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.

EN BLOC AMENDMENTS NOS. 1254, 1255, 1256

Mr. McCONNELL. There are three amendments at the desk, a Kyl-Leahy amendment No. 1254, a Hutchison amendment No. 1255, and an Abraham-Kennedy amendment No. 1256. I ask unanimous consent the amendments be considered as read and agreed to en bloc, the bill be considered read a third time and passed as amended, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed at this point in the RECORD.

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

The amendments considered and agreed to are as follows:

AMENDMENT NO. 1254

At the end of the bill insert the following section:

SEC. 3. REPORT ON AUTOMATED ENTRY-EXIT CONTROL SYSTEM.

(a) Within six months after the date of enactment of this Act, the Attorney General shall report to the Committees on the Judiciary of the Senate and the House of Representatives on her plans for and the feasibility of developing an automated entry-exit control system that would operate at the land borders of the United States and that would—

(1) collect a record of departure for every alien departing the United States and match the records of departure with the record of the alien's arrival in the United States; and

(2) enable the Attorney General to identify, through on-line searching procedures, lawfully admitted nonimmigrants who remain in the United States beyond the period authorized by the Attorney General.

(b) Such report shall assess the costs and feasibility of various means of operating such an automated entry-exit control system; shall evaluate how such a system could be implemented without increasing border traffic congestion and border crossing delays and, if any such system would increase border crossing delays, evaluate to what extent such congestion or delays would increase; and shall estimate the length of time that would be required for any such system to be developed and implemented at the land borders.

AMENDMENT NO. 1255

On page 8, after line 6, insert the following:

(C) REPORTING REQUIREMENTS FOR OTHER COUNTRIES. For every country from which nonimmigrants seek entry into the United States, the Attorney General shall make a precise numerical estimate of the figures under clauses (A)(i)(I) and (A)(i)(II) and report those figures to the Committees on the Judiciary of the Senate and the House of Representatives within 30 days after the end of the fiscal year.

AMENDMENT NO. 1256

(Purpose: To modify the authorized pilot program period, to revise authority in fiscal year 1998 to cancel the removal of certain aliens, and for other purposes)

On page 8, between lines 6 and 7, insert the following new clause:

"(iii) COMMENCEMENT OF AUTHORIZED PERIOD FOR QUALIFYING COUNTRIES.—No country qualifying under the criteria in clauses (i) and (ii) may be newly designated as a pilot program country prior to October 1, 1998.

On page 8, line 16, strike "2002" and insert "2000".

The bill (S. 1178), as amended, was considered read the third time and passed.

S. 1178

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Visa Waiver Pilot Program Reauthorization Act of 1997".

SEC. 2. AMENDMENT OF THE IMMIGRATION AND NATIONALITY ACT.

(a) DESIGNATION OF PILOT PROGRAM COUNTRIES.—Section 217(c) of the Immigration and Nationality Act (8 U.S.C. 1187(c)) is amended to read as follows:

"(c) DESIGNATION OF PILOT PROGRAM COUNTRIES.—

"(1) IN GENERAL.—The Secretary of State, in consultation with the Attorney General, may designate any country as a pilot program country if it meets the requirements of paragraph (2). In order to remain a pilot program country in any subsequent fiscal year, a country shall be redesignated as a pilot program country by the Attorney General in accordance with the requirements of paragraph (3).

"(2) QUALIFICATIONS.—The Secretary of State may not designate a country as a pilot program country unless the following requirements are met:

"(A) LOW NONIMMIGRANT VISA REFUSAL RATE FOR PREVIOUS 2-YEAR PERIOD.—The average number of refusals of nonimmigrant visitor visas for nationals of that country during the two previous full fiscal years was less than 3.0 percent of the total number of nonimmigrant visitor visas for nationals of that country which were granted or refused during those years.

"(B) LOW NONIMMIGRANT VISA REFUSAL RATE FOR EACH OF 2 PREVIOUS YEARS.—The average number of refusals of nonimmigrant visitor visas for nationals of that country during either of such two previous full fiscal years was less than 3.5 percent of the total number of nonimmigrant visitor visas for nationals of that country which were granted or refused during that year.

"(C) MACHINE-READABLE PASSPORT PROGRAM.—The government of the country certifies to the Secretary of State's and the Attorney General's satisfaction that it issues machine-readable and highly fraud-resistant passports to its citizens.

"(D) LAW ENFORCEMENT INTERESTS.—The Attorney General determines that the United States' law enforcement interests would not be compromised by the designation of the country.

"(E) ILLEGAL OVERSTAY AND DISQUALIFICATION.—For any country with an average nonimmigrant visa refusal rate during the previous two fiscal years of greater than 2 and less than 3 percent of the total number of nonimmigrant visitor visas for nationals of that country which were granted or refused during those years, and for any country with an average number of refusals during either such year of greater than 2.5 and less than 3.5 percent, the Attorney General shall certify to the Committees on the Judiciary of the Senate and the House of Representatives that the sum of—

"(I) the total of the number of nationals of that country who were excluded from admission or withdrew their application for admission at a port of entry during such previous fiscal year as a nonimmigrant visitor, and

"(II) the total number of nationals for that country who were admitted as nonimmigrant visitors during such previous fiscal year and who violated the terms of such admission,

is less than 2 percent of the total number of nationals of that country who applied for admission as nonimmigrant visitors during such previous fiscal year.

"(3) CONTINUING AND SUBSEQUENT QUALIFICATIONS.—The Attorney General, in consultation with the Secretary of State, shall assess the continuing and subsequent qualification of countries designated as pilot program countries and shall redesignate countries as pilot program countries only if the requirements specified in this subsection are met. For each fiscal year (within the pilot program period) after the initial period the following requirements shall apply:

"(A) COUNTRIES PREVIOUSLY DESIGNATED.—(i) Except as provided in subsection (g) of this section, in the case of a country which was a pilot program country in the previous fiscal year, the Attorney General may not redesignate such country as a pilot program country unless the sum of—

"(I) the total of the number of nationals of that country who were excluded from admission or withdrew their application for admission during such previous fiscal year as a nonimmigrant visitor, and

"(II) the total number of nationals of that country who were admitted as nonimmigrant visitors during such previous fiscal year and who violated the terms of such admission,

was less than 2 percent of the total number of nationals of that country who applied for admission as nonimmigrant visitors during such previous fiscal year.

"(ii) In the case of a country which was a pilot program country in the previous fiscal year, the Attorney General may not redesignate such country as a pilot program country unless the Attorney General has made a precise numerical estimate of the figures under clauses (i)(I) and (i)(II) and reports those figures to the Committees on the Judiciary of the Senate and the House of Representatives within 30 days after the end of the fiscal year. As of September 30, 1999, any such estimates shall be based on data collected from the automated entry-exit control system mandated by section 110 of Public Law 104-708.

"(iii) In the case of a country which was a pilot program country in the previous fiscal year and which was first admitted to the visa waiver pilot program prior to September 30, 1997, the Attorney General may not redesignate such country as a pilot program country unless the country certifies that it has issued or will issue as of a date certain machine-readable and highly fraud-resistant passports and unless the country subsequently complies with any such certification commitments.

"(B) NEW COUNTRIES.—In the case of a country to which the clauses of subparagraph (A) do not apply, such country may not be designated as a pilot program country unless the following requirements are met:

"(i) LOW NONIMMIGRANT VISA REFUSAL RATE IN PREVIOUS 2-YEAR PERIOD.—The average number of refusals of nonimmigrant visitor visas for nationals of that country during the two previous full fiscal years was less than 3.0 percent of the total number of nonimmigrant visitor visas for nationals of that country which were granted or refused during those years.

"(ii) LOW NONIMMIGRANT VISA REFUSAL RATE IN EACH OF THE 2 PREVIOUS YEARS.—The average number of refusals of nonimmigrant visitor visas for nationals of that country during either of such two previous full fiscal years was less than 3.5 percent of the total number of nonimmigrant visitor visas for nationals of that country which were granted or refused during that year.

"(iii) COMMENCEMENT OF AUTHORIZED PERIOD FOR QUALIFYING COUNTRIES.—No country qualifying under the criteria in clauses (i) and (ii) may be newly designated as a pilot program country prior to October 1, 1998.

"(C) REPORTING REQUIREMENTS FOR OTHER COUNTRIES.—For every country from which nonimmigrants seek entry into the United States, the Attorney General shall make a precise numerical estimate of the figures under subparagraph (A)(i) (I) and (II) and report those figures to the Committees on the Judiciary of the Senate and the House of Representatives within 30 days after the end of the fiscal year.

"(4) INITIAL PERIOD.—For purposes of paragraph (3), the term 'initial period' means the period beginning at the end of the 30-day period described in section 2(c)(1) of the Visa Waiver Pilot Program Reauthorization Act of 1997 and ending on the last day of the first fiscal year which begins after such 30-day period.".

(b) AUTHORIZED PILOT PROGRAM PERIOD.—Section 217(f) of that Act is amended by striking "September 30, 1997" and inserting "September 30, 2000".

(c) DEVELOPMENT OF AUTOMATED ENTRY CONTROL SYSTEM.—(1) As of the date of enactment of this Act, no country may be newly designated as a pilot program country until the end of the 30-day period beginning on the date that the Attorney General submits to the Committees on the Judiciary of the House of Representatives and the Senate a certification that the automated entry-exit control system described in paragraph (2) is operational.

(2) The automated entry-exit control system is the system mandated by section 110 of Public Law 104-208 as applied at all ports of entry excluding the land borders.

SEC. 3. REPORT ON AUTOMATED ENTRY-EXIT CONTROL SYSTEM.

(a) Within six months after the date of enactment of this Act, the Attorney General shall report to the Committees on the Judiciary of the Senate and the House of Representatives on her plans for and the feasibility of developing an automated entry-exit control system that would operate at the land borders of the United States and that would—

(1) collect a record of departure for every alien departing the United States and match the records of departure with the record of the alien's arrival in the United States; and

(2) enable the Attorney General to identify, through on-line searching procedures, lawfully admitted nonimmigrants who remain in the United States beyond the period authorized by the Attorney General.

(b) Such report shall assess the costs and feasibility of various means of operating such an automated entry-exit control system; shall evaluate how such a system could be implemented without increasing border traffic congestion and border crossing delays and, if any such system would increase border crossing delays, evaluate to what extent such congestion or delays would increase; and shall estimate the length of time that would be required for any such system to be developed and implemented at the land borders.

PUBLIC HOUSING REFORM AND RESPONSIBILITY ACT OF 1977

Mr. MCCONNELL. Mr. President, I ask unanimous consent the Senate now proceed to the consideration of Calendar No. 63, S. 462.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

A bill (S. 462) to reform and consolidate the public and assisted housing programs of the United States, and to redirect primary responsibility for these programs from the Federal Government to States and localities, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Banking, Housing, and Urban Affairs, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Public Housing Reform and Responsibility Act of 1997".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purposes.
Sec. 3. Definitions.
Sec. 4. Effective date.
Sec. 5. Proposed regulations; technical recommendations.
Sec. 6. Elimination of obsolete documents.
Sec. 7. Annual reports.

TITLE I—PUBLIC HOUSING

Sec. 101. Declaration of policy.
Sec. 102. Membership on board of directors.
Sec. 103. Rental payments.
Sec. 104. Definitions.
Sec. 105. Contributions for lower income housing projects.
Sec. 106. Public housing agency plan.
Sec. 107. Contract provisions and requirements.
Sec. 108. Expansion of powers for dealing with PHA's in substantial default.
Sec. 109. Public housing site-based waiting lists.
Sec. 110. Public housing capital and operating funds.
Sec. 111. Community service and self-sufficiency.
Sec. 112. Repeal of energy conservation; consortia and joint ventures.
Sec. 113. Repeal of modernization fund.
Sec. 114. Eligibility for public and assisted housing.
Sec. 115. Demolition and disposition of public housing.
Sec. 116. Repeal of family investment centers; voucher system for public housing.
Sec. 117. Repeal of family self-sufficiency; homeownership opportunities.
Sec. 118. Revitalizing severely distressed public housing.
Sec. 119. Mixed-finance and mixed-ownership projects.
Sec. 120. Conversion of distressed public housing to tenant-based assistance.
Sec. 121. Public housing mortgages and security interests.
Sec. 122. Linking services to public housing residents.
Sec. 123. Prohibition on use of amounts.
Sec. 124. Pet ownership.

TITLE II—SECTION 8 RENTAL ASSISTANCE

Sec. 201. Merger of the certificate and voucher programs.
Sec. 202. Repeal of Federal preferences.
Sec. 203. Portability.
Sec. 204. Leasing to voucher holders.
Sec. 205. Homeownership option.
Sec. 206. Law enforcement and security personnel in public housing.
Sec. 207. Technical and conforming amendments.
Sec. 208. Implementation.
Sec. 209. Definition.
Sec. 210. Effective date.
Sec. 211. Recapture and reuse of annual contribution contract project reserves under the tenant-based assistance program.

TITLE III—SAFETY AND SECURITY IN PUBLIC AND ASSISTED HOUSING

Sec. 301. Screening of applicants.
Sec. 302. Termination of tenancy and assistance.
Sec. 303. Lease requirements.
Sec. 304. Availability of criminal records for public housing resident screening and eviction.
Sec. 305. Definitions.
Sec. 306. Conforming amendments.

TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. Public housing flexibility in the CHAS.
Sec. 402. Determination of income limits.
Sec. 403. Demolition of public housing.
Sec. 404. Technical correction of public housing agency opt-out authority.
Sec. 405. Review of drug elimination program contracts.
Sec. 406. Sense of Congress.
Sec. 407. Other repeals.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) there exists throughout the Nation a need for decent, safe, and affordable housing;

(2) the inventory of public housing units owned and operated by public housing agencies, an asset in which the Federal Government has invested approximately $90,000,000,000, has traditionally provided rental housing that is affordable to low-income persons;

(3) despite serving this critical function, the public housing system is plagued by a series of problems, including the concentration of very poor people in very poor neighborhoods and disincentives for economic self-sufficiency;

(4) the Federal method of overseeing every aspect of public housing by detailed and complex statutes and regulations aggravates the problem and places excessive administrative burdens on public housing agencies;

(5) the interests of low-income persons, and the public interest, will best be served by a reformed public housing program that—

(A) consolidates many public housing programs into programs for the operation and capital needs of public housing;

(B) streamlines program requirements;

(C) vests in public housing agencies that perform well the maximum feasible authority, discretion, and control with appropriate accountability to both public housing residents and localities; and

(D) rewards employment and economic self-sufficiency of public housing residents; and

(6) voucher and certificate programs under section 8 of the United States Housing Act of 1937 are successful for approximately 80 percent of applicants, and a consolidation of the voucher and certificate programs into a single, market-driven program will assist in making section

8 tenant-based assistance more successful in assisting low-income families in obtaining affordable housing and will increase housing choice for low-income families.

(b) PURPOSES.—The purposes of this Act are—

(1) to consolidate the various programs and activities under the public housing programs administered by the Secretary in a manner designed to reduce Federal overregulation;

(2) to redirect the responsibility for a consolidated program to States, localities, public housing agencies, and public housing residents;

(3) to require Federal action to overcome problems of public housing agencies with severe management deficiencies; and

(4) to consolidate and streamline tenant-based assistance programs.

SEC. 3. DEFINITIONS.

In this Act:

(1) PUBLIC HOUSING AGENCY.—The term "public housing agency" has the same meaning as in section 3 of the United States Housing Act of 1937.

(2) SECRETARY.—The term "Secretary" means the Secretary of Housing and Urban Development.

SEC. 4. EFFECTIVE DATE.

Except as otherwise specifically provided in this Act or the amendments made by this Act, this Act and the amendments made by this Act shall take effect on the date of enactment of this Act.

SEC. 5. PROPOSED REGULATIONS; TECHNICAL RECOMMENDATIONS.

(a) PROPOSED REGULATIONS.—Not later than 9 months after the date of enactment of this Act, the Secretary shall submit to Congress proposed regulations that the Secretary determines are necessary to carry out the United States Housing Act of 1937, as amended by this Act.

(b) TECHNICAL RECOMMENDATIONS.—Not later than 9 months after the date of enactment of this Act, the Secretary shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking and Financial Services of the House of Representatives, recommended technical and conforming legislative changes necessary to carry out this Act and the amendments made by this Act.

SEC. 6. ELIMINATION OF OBSOLETE DOCUMENTS.

Effective 1 year after the date of enactment of this Act, no rule, regulation, or order (including all handbooks, notices, and related requirements) pertaining to public housing or section 8 tenant-based programs issued or promulgated under the United States Housing Act of 1937 before the date of enactment of this Act may be enforced by the Secretary.

SEC. 7. ANNUAL REPORTS.

Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Secretary shall submit a report to Congress on—

(1) the impact of the amendments made by this Act on—

(A) the demographics of public housing residents and families receiving tenant-based assistance under the United States Housing Act of 1937; and

(B) the economic viability of public housing agencies; and

(2) the effectiveness of the rent policies established by this Act and the amendments made by this Act on the employment status and earned income of public housing residents.

TITLE I—PUBLIC HOUSING

SEC. 101. DECLARATION OF POLICY.

Section 2 of the United States Housing Act of 1937 (42 U.S.C. 1437) is amended to read as follows:

"SEC. 2. DECLARATION OF POLICY.

"It is the policy of the United States to promote the general welfare of the Nation by employing the funds and credit of the Nation, as provided in this title—

"(1) to assist States and political subdivisions of States to remedy the unsafe housing conditions and the acute shortage of decent and safe dwellings for low-income families;

"(2) to assist States and political subdivisions of States to address the shortage of housing affordable to low-income families; and

"(3) consistent with the objectives of this title, to vest in public housing agencies that perform well, the maximum amount of responsibility and flexibility in program administration, with appropriate accountability to both public housing residents and localities.".

SEC. 102. MEMBERSHIP ON BOARD OF DIRECTORS.

Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(1) by redesignating the second section designated as section 27 (as added by section 903(b) of Public Law 104–193 (110 Stat. 2348)) as section 28; and

(2) by adding at the end the following:

"SEC. 29. MEMBERSHIP ON BOARD OF DIRECTORS.

"(a) REQUIRED MEMBERSHIP.—Except as provided in subsection (b), the membership of the board of directors of each public housing agency shall contain not less than 1 member—

"(1) who is a resident who directly receives assistance from the public housing agency; and

"(2) who may, if provided for in the public housing agency plan (as developed with appropriate notice and opportunity for comment by the resident advisory board) be elected by the residents directly receiving assistance from the public housing agency.

"(b) EXCEPTION.—Subsection (a) shall not apply to any public housing agency—

"(1) that is located in a State that requires the members of the board of directors of a public housing agency to be salaried and to serve on a full-time basis; or

"(2) with less than 300 units, if—

"(A) the public housing agency has provided reasonable notice to the resident advisory board of the opportunity of not less than 1 resident described in subsection (a) to serve on the board of directors of the public housing agency pursuant to that subsection; and

"(B) within a reasonable time after receipt by the resident advisory board of notice under subparagraph (A), the public housing agency has not been notified of the intention of any resident to participate on the board of directors.

"(c) NONDISCRIMINATION.—No person shall be prohibited from serving on the board of directors or similar governing body of a public housing agency because of the residence of that person in a public housing project.".

SEC. 103. RENTAL PAYMENTS.

(a) IN GENERAL.—Section 3(a)(1)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437a(a)(1)(A)) is amended by inserting before the semicolon the following: " or, if the family resides in public housing, an amount established by the public housing agency, which shall not exceed 30 percent of the monthly adjusted income of the family".

(b) AUTHORITY OF PUBLIC HOUSING AGENCIES.—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) AUTHORITY OF PUBLIC HOUSING AGENCIES.—

"(A) IN GENERAL.—Notwithstanding paragraph (1), a public housing agency may adopt ceiling rents that reflect the reasonable market value of the housing, but that are not less than—

"(i) 75 percent of the monthly cost to operate the housing of the public housing agency; and

"(ii) the monthly cost to make a deposit to a replacement reserve (in the sole discretion of the public housing agency).

"(B) MINIMUM RENT.—Notwithstanding paragraph (1), a public housing agency may provide that each family residing in a public housing project or receiving tenant-based or project-based assistance under section 8 shall pay a minimum monthly rent in an amount not to exceed $25 per month.

"(C) POLICE OFFICERS.—

"(i) IN GENERAL.—Notwithstanding any other provision of law, a public housing agency may, in accordance with the public housing agency plan, allow a police officer who is not otherwise eligible for residence in public housing to reside in a public housing unit. The number and location of units occupied by police officers under this clause, and the terms and conditions of their tenancies, shall be determined by the public housing agency.

"(ii) DEFINITION.—In this subparagraph, the term 'police officer' means any person determined by a public housing agency to be, during the period of residence of that person in public housing, employed on a full-time basis as a duly licensed professional police officer by a Federal, State, or local government or by any agency thereof (including a public housing agency having an accredited police force).

"(D) EXCEPTION TO INCOME LIMITATIONS FOR CERTAIN PUBLIC HOUSING AGENCIES.—

"(i) DEFINITION OF OVER-INCOME FAMILY.—In this subparagraph, the term 'over-income family' means an individual or family that is not a low-income family or a very low-income family.

"(ii) AUTHORIZATION.—Notwithstanding any other provision of law, a public housing agency that manages less than 250 units may, on a month-to-month basis, lease a unit in a public housing project to an over-income family in accordance with this subparagraph, if there are no eligible families applying for residence in that public housing project for that month.

"(iii) TERMS AND CONDITIONS.—The number and location of units occupied by over-income families under this subparagraph, and the terms and conditions of those tenancies, shall be determined by the public housing agency, except that—

"(I) rent for a unit shall be in an amount that is equal to not less than the costs to operate the unit;

"(II) if an eligible family applies for residence after an over-income family moves in to the last available unit, the over-income family shall vacate the unit not later than the date on which the month term expires; and

"(III) if a unit is vacant and there is no one on the waiting list, the public housing agency may allow an over-income family to gain immediate occupancy in the unit, while simultaneously providing reasonable public notice of the availability of the unit.

"(E) ENCOURAGEMENT OF SELF-SUFFICIENCY.—Each public housing agency shall develop a rental policy that encourages and rewards employment and economic self-sufficiency.".

(c) REGULATIONS.—

(1) IN GENERAL.—The Secretary shall, by regulation, after notice and an opportunity for public comment, establish such requirements as may be necessary to carry out section 3(a)(2)(A) of the United States Housing Act of 1937, as amended by this section.

(2) TRANSITION RULE.—Prior to the issuance of final regulations under paragraph (1), a public housing agency may implement ceiling rents, which shall be—

(A) determined in accordance with section 3(a)(2)(A) of the United States Housing Act of 1937 (amended by subsection (b) of this section);

(B) equal to the 95th percentile of the rent paid for a unit of comparable size by residents in the same public housing project or a group of comparable projects totaling 50 units or more; or

(C) equal to not more than the fair market rent for the area in which the unit is located.

SEC. 104. DEFINITIONS.

(a) DEFINITIONS.—

(1) SINGLE PERSONS.—Section 3(b)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(3)) is amended—

(A) in subparagraph (A), by striking the third sentence; and

(B) in subparagraph (B), in the second sentence, by striking "regulations of the Secretary" and inserting "public housing agency plan".

(2) 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) ADJUSTED INCOME.—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 the spouse of the head of the household)—

"(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; and

"(E) any other adjustments to earned income that the public housing agency determines to be appropriate, as provided in the public housing agency plan.".

(b) DISALLOWANCE OF EARNED INCOME FROM PUBLIC HOUSING RENT DETERMINATIONS.—

(1) IN GENERAL.—Section 3 of the United States Housing Act of 1937 (42 U.S.C. 1437a) is amended—

(A) by striking the undesignated paragraph at the end of subsection (c)(3) (as added by section 515(b) of the Cranston-Gonzalez National Affordable Housing Act); and

(B) by adding at the end the following:

"(d) DISALLOWANCE OF EARNED INCOME FROM PUBLIC HOUSING RENT DETERMINATIONS.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, the rent payable under subsection (a) by a family—

"(A) that—

"(i) occupies a unit in a public housing project; or

"(ii) receives assistance under section 8; and

"(B) whose income increases as a result of employment of a member of the family who was previously unemployed for 1 or more years (including a family whose income increases as a result of the participation of a family member in any family self-sufficiency or other job training program);

may not be increased as a result of the increased income due to such employment during the 18-month period beginning on the date on which the employment is commenced.

"(2) PHASE-IN OF RATE INCREASES.—After the expiration of the 18-month period referred to in paragraph (1), rent increases due to the continued employment of the family member described in paragraph (1)(B) shall be phased in over a subsequent 3-year period.

"(3) OVERALL LIMITATION.—Rent payable under subsection (a) shall not exceed the amount determined under subsection (a).".

(2) APPLICABILITY OF AMENDMENT.—

(A) PUBLIC HOUSING.—Notwithstanding the amendment made by paragraph (1), any resident of public housing participating in the program under the authority contained in the undesignated paragraph at the end of section 3(c)(3) of the United States Housing Act of 1937, as that section existed on the day before the date of enactment of this Act, shall be governed by that authority after that date.

(B) SECTION 8.—The amendment made by paragraph (1) shall apply to tenant-based assistance provided under section 8 of the United States Housing Act of 1937, with funds appropriated on or after October 1, 1997.

(c) DEFINITIONS OF TERMS USED IN REFERENCE TO PUBLIC HOUSING.—

(1) IN GENERAL.—Section 3(c) of the United States Housing Act of 1937 (42 U.S.C. 1437a(c)) is amended—

(A) in paragraph (1), by inserting "and of the fees and related costs normally involved in obtaining non-Federal financing and tax credits with or without private and nonprofit partners" after "carrying charges"; and

(B) in paragraph (2), in the first sentence, by striking "security personnel)," and all that follows through the period and inserting the following: "security personnel), service coordinators, drug elimination activities, or financing in connection with a public housing project, including projects developed with non-Federal financing and tax credits, with or without private and nonprofit partners.".

(2) TECHNICAL CORRECTION.—Section 622(c) of the Housing and Community Development Act of 1992 (Public Law 102-550; 106 Stat. 3817) is amended by striking "'project.'" and inserting "paragraph (3)".

(3) NEW DEFINITIONS.—Section 3(c) of the United States Housing Act of 1937 (42 U.S.C. 1437a(c)) is amended by adding at the end the following:

"(6) PUBLIC HOUSING AGENCY PLAN.—The term 'public housing agency plan' means the plan of the public housing agency prepared in accordance with section 5A.

"(7) DISABLED HOUSING.—The term 'disabled housing' means any public housing project, building, or portion of a project or building, that is designated by a public housing agency for occupancy exclusively by disabled persons or families.

"(8) ELDERLY HOUSING.—The term 'elderly housing' means any public housing project, building, or portion of a project or building, that is designated by a public housing agency exclusively for occupancy exclusively by elderly persons or families, including elderly disabled persons or families.

"(9) MIXED-FINANCE PROJECT.—The term 'mixed-finance project' means a public housing project that meets the requirements of section 30.

"(10) CAPITAL FUND.—The term 'Capital Fund' means the fund established under section 9(c).

"(11) OPERATING FUND.—The term 'Operating Fund' means the fund established under section 9(d).".

SEC. 105. CONTRIBUTIONS FOR LOWER INCOME HOUSING PROJECTS.

(a) IN GENERAL.—Section 5 of the United States Housing Act of 1937 (42 U.S.C. 1437c) is amended by striking subsections (h) through (l).

(b) CONFORMING AMENDMENTS.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(1) in section 21(d), by striking "section 5(h) or";

(2) in section 25(l)(1), by striking "and for sale under section 5(h)"; and

(3) in section 307, by striking "section 5(h) and".

SEC. 106. PUBLIC HOUSING AGENCY PLAN.

(a) IN GENERAL.—Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by inserting after section 5 the following:

"SEC. 5A. PUBLIC HOUSING AGENCY PLANS.

"(a) 5-YEAR PLAN.—

"(1) IN GENERAL.—Subject to paragraph (2), not less than once every 5 fiscal years, each public housing agency shall submit to the Secretary a plan that includes, with respect to the 5 fiscal years immediately following the date on which the plan is submitted—

"(A) a statement of the mission of the public housing agency for serving the needs of low-income and very low-income families in the jurisdiction of the public housing agency during those fiscal years; and

"(B) a statement of the goals and objectives of the public housing agency that will enable the public housing agency to serve the needs identified pursuant to subparagraph (A) during those fiscal years.

"(2) INITIAL PLAN.—The initial 5-year plan submitted by a public housing agency under this subsection shall be submitted for the 5-year period beginning with the first fiscal year following the date of enactment of the Public Housing Reform and Responsibility Act of 1997 for which the public housing agency receives assistance under this Act.

"(b) ANNUAL PLAN.—

"(1) IN GENERAL.—Each public housing agency shall submit to the Secretary a public housing agency plan under this subsection for each fiscal year for which the public housing agency receives assistance under sections 8(o) and 9.

"(2) UPDATES.—For each fiscal year after the initial submission of a plan under this section by a public housing agency, the public housing agency may comply with requirements for submission of a plan under this subsection by submitting an update of the plan for the fiscal year.

"(c) PROCEDURES.—

"(1) IN GENERAL.—The Secretary shall establish requirements and procedures for submission and review of plans, including requirements for timing and form of submission, and for the contents of those plans.

"(2) CONTENTS.—The procedures established under paragraph (1) shall provide that a public housing agency shall—

"(A) consult with the resident advisory board established under subsection (e) in developing the plan; and

"(B) ensure that the plan under this section is consistent with the applicable comprehensive housing affordability strategy (or any consolidated plan incorporating that strategy) for the jurisdiction in which the public housing agency is located, in accordance with title I of the Cranston-Gonzalez National Affordable Housing Act and contains a certification by the appropriate State or local official that the plan meets the requirements of this paragraph and a description of the manner in which the applicable contents of the public housing agency plan are consistent with the comprehensive housing affordability strategy.

"(d) CONTENTS.—An annual public housing agency plan under this section for a public housing agency shall contain the following information relating to the upcoming fiscal year for which the assistance under this Act is to be made available:

"(1) NEEDS.—A statement of the housing needs of low-income and very low-income families residing in the jurisdiction served by the public housing agency, and of other low-income and very low-income families on the waiting list of the agency (including housing needs of elderly families and disabled families), and the means by which the public housing agency intends, to the maximum extent practicable, to address those needs.

"(2) FINANCIAL RESOURCES.—A statement of financial resources available to the agency and the planned uses of those resources.

"(3) ELIGIBILITY, SELECTION, AND ADMISSIONS POLICIES.—A statement of the policies governing eligibility, selection, admissions (including any preferences), assignment, and occupancy of families with respect to public housing dwelling units and housing assistance under section 8(o).

"(4) RENT DETERMINATION.—A statement of the policies of the public housing agency governing rents charged for public housing dwelling units and rental contributions of assisted families under section 8(o).

"(5) OPERATION AND MANAGEMENT.—A statement of the rules, standards, and policies of the public housing agency governing maintenance and management of housing owned and operated by the public housing agency, and management of the public housing agency and programs of the public housing agency.

"(6) GRIEVANCE PROCEDURE.—A statement of the grievance procedures of the public housing agency.

"(7) CAPITAL IMPROVEMENTS.—With respect to public housing developments owned or operated by the public housing agency, a plan describing the capital improvements necessary to ensure long-term physical and social viability of the developments.

"(8) DEMOLITION AND DISPOSITION.—With respect to public housing developments owned or operated by the public housing agency—

"(A) a description of any housing to be demolished or disposed of; and

"(B) a timetable for that demolition or disposition.

"(9) DESIGNATION OF HOUSING FOR ELDERLY AND DISABLED FAMILIES.—With respect to public housing developments owned or operated by the public housing agency, a description of any developments (or portions thereof) that the public housing agency has designated or will designate for occupancy by elderly and disabled families in accordance with section 7.

"(10) CONVERSION OF PUBLIC HOUSING.—With respect to public housing owned or operated by a public housing agency—

"(A) a description of any building or buildings that the public housing agency is required to convert to tenant-based assistance under section 31 or that the public housing agency voluntarily converts under section 22;

"(B) an analysis of those buildings required under that section for conversion; and

"(C) a statement of the amount of grant amounts to be used for rental assistance or other housing assistance.

"(11) HOMEOWNERSHIP ACTIVITIES.—A description of any homeownership programs of the public housing agency and the requirements for participation in and the assistance available under those programs.

"(12) ECONOMIC SELF-SUFFICIENCY AND COORDINATION WITH WELFARE AND OTHER APPROPRIATE AGENCIES.—A description of—

"(A) any programs relating to services and amenities provided or offered to assisted families;

"(B) any policies or programs of the public housing agency for the enhancement of the economic and social self-sufficiency of assisted families; and

"(C) how the public housing agency will comply with the requirements of subsections (c) and (d) of section 12.

"(13) SAFETY AND CRIME PREVENTION.—A description of policies established by the public housing agency that increase or maintain the safety of public housing residents.

"(14) CERTIFICATION.—An annual certification by the public housing agency that the public housing agency will carry out the public housing agency plan in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990, and will affirmatively further the goal of fair housing.

"(15) ANNUAL AUDIT.—The results of the most recent fiscal year audit of the public housing agency.

"(e) RESIDENT ADVISORY BOARD.—

"(1) IN GENERAL.—Except as provided in paragraph (3), each public housing agency shall establish 1 or more resident advisory boards in accordance with this subsection, the membership of which shall adequately reflect and represent the residents of the dwelling units owned, operated, or assisted by the public housing agency.

"(2) PURPOSE.—Each resident advisory board established under this subsection shall assist and make recommendations regarding the development of the public housing agency plan. The public housing agency shall consider the recommendations of the resident advisory boards in preparing the final public housing agency plan, and shall include a copy of those recommendations in the public housing agency plan submitted to the Secretary under this section.

"(3) WAIVER.—The Secretary may waive the requirements of this subsection with respect to the establishment of resident advisory boards, if the public housing agency demonstrates to the satisfaction of the Secretary that there exists a resident council or other resident organization of the public housing agency that—

"(A) adequately represents the interests of the residents of the public housing agency; and

"(B) has the ability to perform the functions described in paragraph (2).

"(f) PUBLICATION OF NOTICE.—

"(1) IN GENERAL.—Not later than 45 days before the date of a hearing conducted under paragraph (2) by the governing body of a public housing agency, the public housing agency shall publish a notice informing the public that—

"(A) the proposed public housing agency plan is available for inspection at the principal office of the public housing agency during normal business hours; and

"(B) a public hearing will be conducted to discuss the public housing agency plan and to invite public comment regarding that plan.

"(2) PUBLIC HEARING.—Each public housing agency shall, at a location that is convenient to residents, conduct a public hearing, as provided in the notice published under paragraph (1).

"(3) ADOPTION OF PLAN.—After conducting the public hearing under paragraph (2), and after considering all public comments received and, in consultation with the resident advisory board, making any appropriate changes in the public housing agency plan, the public housing agency shall—

"(A) adopt the public housing agency plan; and

"(B) submit the plan to the Secretary in accordance with this section.

"(g) AMENDMENTS AND MODIFICATIONS TO PLANS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), nothing in this section shall preclude a public housing agency, after submitting a plan to the Secretary in accordance with this section, from amending or modifying any policy, rule, regulation, or plan of the public housing agency, except that no such significant amendment or modification may be adopted or implemented—

"(A) other than at a duly called meeting of commissioners (or other comparable governing body) of the public housing agency that is open to the public; and

"(B) until notification of the amendment or modification is provided to the Secretary and approved in accordance with subsection (h)(2).

"(2) CONSISTENCY.—Each significant amendment or modification to a public housing agency plan submitted to the Secretary under this section shall—

"(A) meet the consistency requirement of subsection (c)(2);

"(B) be subject to the notice and public hearing requirements of subsection (f); and

"(C) be subject to approval by the Secretary in accordance with subsection (h)(2).

"(h) TIMING OF PLANS.—

"(1) IN GENERAL.—

"(A) INITIAL SUBMISSION.—Each public housing agency shall submit the initial plan required by this section, and any amendment or modification to the initial plan, to the Secretary at such time and in such form as the Secretary shall require.

"(B) ANNUAL SUBMISSION.—Not later than 60 days prior to the start of the fiscal year of the public housing agency, after initial submission of the plan required by this section in accordance with subparagraph (A), each public housing agency shall annually submit to the Secretary a plan update, including any amendments or modifications to the public housing agency plan.

"(2) REVIEW AND APPROVAL.—

"(A) REVIEW.—After submission of the public housing agency plan or any amendment or modification to the plan to the Secretary, to the extent that the Secretary considers such action to be necessary to make determinations under this subparagraph, the Secretary shall review the public housing agency plan (including any amendments or modifications thereto) to determine whether the contents of the plan—

"(i) set forth the information required by this section to be contained in a public housing agency plan;

"(ii) are consistent with information and data available to the Secretary; and

"(iii) are prohibited by or inconsistent with any provision of this title or other applicable law.

"(B) APPROVAL.—

"(i) IN GENERAL.—Except as provided in paragraph (3)(B), not later than 60 days after the date on which a public housing agency plan is submitted in accordance with this section (or, with respect to the initial provision of notice under this subparagraph, not later than 75 days after the date on which the initial public housing agency plan is submitted in accordance with this section), the Secretary shall provide written notice to the public housing agency if the plan has been disapproved, stating with specificity the reasons for the disapproval.

"(ii) FAILURE TO PROVIDE NOTICE OF DISAPPROVAL.—If the Secretary does not provide notice of disapproval under clause (i) before the expiration of the period described in clause (i), the public housing agency plan shall be deemed to be approved by the Secretary.

"(3) SECRETARIAL DISCRETION.—

"(A) IN GENERAL.—The Secretary may require such additional information as the Secretary determines to be appropriate for each public housing agency that is—

"(i) at risk of being designated as troubled under section 6(j); or

"(ii) designated as troubled under section 6(j).

"(B) TROUBLED AGENCIES.—The Secretary shall provide explicit written approval or disapproval, in a timely manner, for a public housing agency plan submitted by any public housing agency designated by the Secretary as a troubled public housing agency under section 6(j).

"(C) ADVISORY BOARD CONSULTATION ENFORCEMENT.—Following a written request by the resident advisory board that documents a failure on the part of the public housing agency to provide adequate notice and opportunity for comment under subsection (f), and upon a Secretarial finding of good cause within the time period provided for in paragraph (2)(B) of this subsection, the Secretary may require the public

housing agency to adequately remedy that failure prior to a final approval of the public housing agency plan under this section.

"(4) STREAMLINED PLAN.—In carrying out this section, the Secretary may establish a streamlined public housing agency plan for—

"(A) public housing agencies that are determined by the Secretary to be high performing public housing agencies;

"(B) public housing agencies with less than 250 public housing units that have not been designated as troubled under section 6(j); and

"(C) public housing agencies that only administer tenant-based assistance and that do not own or operate public housing.".

(b) IMPLEMENTATION.—

(1) INTERIM RULE.—Not later than 120 days after the date of enactment of this Act, the Secretary shall issue an interim rule to require the submission of an interim public housing agency plan by each public housing agency, as required by section 5A of the United States Housing Act of 1937 (as added by subsection (a) of this section).

(2) FINAL REGULATIONS.—Not later than 1 year after the date of enactment of this Act, in accordance with the negotiated rulemaking procedures set forth in subchapter III of chapter 5 of title 5, United States Code, the Secretary shall promulgate final regulations implementing section 5A of the United States Housing Act of 1937 (as added by subsection (a) of this section).

(c) AUDIT AND REVIEW; REPORT.—

(1) AUDIT AND REVIEW.—Not later than 1 year after the effective date of final regulations promulgated under subsection (b)(2), in order to determine the degree of compliance with public housing agency plans approved under section 5A of the United States Housing Act of 1937 (as added by subsection (a) of this section) by public housing agencies, the Comptroller General of the United States shall conduct—

(A) a review of a representative sample of the public housing agency plans approved under such section 5A before that date; and

(B) an audit and review of the public housing agencies submitting those plans.

(2) REPORT.—Not later than 2 years after the date on which public housing agency plans are initially required to be submitted under section 5A of the United States Housing Act of 1937 (as added by subsection (a) of this section) the Comptroller General of the United States shall submit to Congress a report, which shall include—

(A) a description of the results of each audit and review under paragraph (1); and

(B) any recommendations for increasing compliance by public housing agencies with their public housing agency plans approved under section 5A of the United States Housing Act of 1937 (as added by subsection (a) of this section).

SEC. 107. CONTRACT PROVISIONS AND REQUIREMENTS.

(a) CONDITIONS.—Section 6(a) of the United States Housing Act of 1937 (42 U.S.C. 1437d(a)) is amended—

(1) in the first sentence, by inserting ", in a manner consistent with the public housing agency plan" before the period; and

(2) by striking the second sentence.

(b) REPEAL OF FEDERAL PREFERENCES; REVISION OF MAXIMUM INCOME LIMITS; CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS; NOTIFICATION OF ELIGIBILITY.—Section 6(c) of the United States Housing Act of 1937 (42 U.S.C. 1437d(c)) is amended to read as follows:

"(c) [Reserved.]".

(c) EXCESS FUNDS.—Section 6(e) of the United States Housing Act of 1937 (42 U.S.C. 1437d(e)) is amended to read as follows:

"(e) [Reserved.]".

(d) PERFORMANCE INDICATORS FOR PUBLIC HOUSING AGENCIES.—Section 6(j) of the United States Housing Act of 1937 (42 U.S.C. 1437d(j)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (B)—

(i) by striking "obligated" and inserting "provided"; and

(ii) by striking "unexpended" and inserting "unobligated by the public housing agency";

(B) in subparagraph (D), by striking "energy" and inserting "utility";

(C) by redesignating subparagraph (H) as subparagraph (J); and

(D) by inserting after subparagraph (G) the following:

"(H) The extent to which the public housing agency—

"(i) coordinates, promotes, or provides effective programs and activities to promote the economic self-sufficiency of public housing residents; and

"(ii) provides public housing residents with opportunities for involvement in the administration of the public housing.

"(I) The extent to which the public housing agency implements—

"(i) effective screening and eviction policies; and

"(ii) other anticrime strategies;

including the extent to which the public housing agency coordinates with local government officials and residents in the development and implementation of these strategies.

"(J) The extent to which the public housing agency is providing acceptable basic housing conditions.

"(K) The extent to which the public housing agency successfully meets the goals and carries out the activities and programs of the public housing agency plan under section 5(A)."; and

(2) in paragraph (2)(A)(i), by inserting after the first sentence the following: "The Secretary may use a simplified set of indicators for public housing agencies with less than 250 public housing units.".

(e) DRUG-RELATED AND CRIMINAL ACTIVITY.—Section 6(k) of the United States Housing Act of 1937 (42 U.S.C. 1437d(k)) is amended, in the matter following paragraph (6)—

(1) by striking "drug-related" and inserting "violent or drug-related"; and

(2) by inserting "or any activity resulting in a felony conviction," after "on or off such premises,".

(f) LEASES.—Section 6(l) of the United States Housing Act of 1937 (42 U.S.C. 1437d(l)) is amended—

(1) in paragraph (3), by striking "not be less than" and all that follows through the end of paragraph (3) and inserting: "be the period of time required under State or local law, except that the public housing agency may provide such notice within a reasonable time which does not exceed the lesser of—

"(A) the period provided under applicable State or local law; or

"(B) 30 days—

"(i) if the health or safety of other tenants, public housing agency employees, or persons residing in the immediate vicinity of the premises is threatened; or

"(ii) in the event of any drug-related or violent criminal activity or any felony conviction;";

(2) in paragraph (6), by striking "and" at the end;

(3) by redesignating paragraph (7) as paragraph (8); and

(4) by inserting after paragraph (6) following:

"(7) provide that any occupancy in violation of section 7(e)(1) or the furnishing of any false or misleading information pursuant to section 7(e)(2) shall be cause for termination of tenancy; and".

(g) PUBLIC HOUSING ASSISTANCE TO FOSTER CARE CHILDREN.—Section 6(o) of the United States Housing Act of 1937 (42 U.S.C. 1437d(o)) is amended by striking "Subject" and all that follows through ", in" and inserting "In".

(h) PREFERENCE FOR AREAS WITH INADEQUATE SUPPLY OF VERY LOW-INCOME HOUSING.—Section 6(p) of the United States Housing Act of 1937 (42 U.S.C. 1437d(p)) is amended to read as follows:

"(p) [Reserved.]".

(i) TRANSITION RULE RELATING TO PREFERENCES.—During the period beginning on the date of enactment of this Act and ending on the date on which the initial public housing agency plan of a public housing agency is approved under section 5A of the United States Housing Act of 1937 (as added by this Act) the public housing agency may establish local preferences for making available public housing under the United States Housing Act of 1937 and for providing tenant-based assistance under section 8 of that Act.

SEC. 108. EXPANSION OF POWERS FOR DEALING WITH PHA'S IN SUBSTANTIAL DEFAULT.

(a) IN GENERAL.—Section 6(j)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437d) is amended—

(1) in subparagraph (A)—

(A) by striking clause (i) and inserting the following:

"(i) solicit competitive proposals from other public housing agencies and private housing management agents that, in the discretion of the Secretary, may be selected by existing public housing residents through administrative procedures established by the Secretary; if appropriate, these proposals shall provide for such agents to manage all, or part, of the housing administered by the public housing agency or all or part of the other programs of the agency;";

(B) by striking clause (iv) and inserting the following:

"(v) require the agency to make other arrangements acceptable to the Secretary and in the best interests of the public housing residents and families assisted under section 8 for managing all, or part, of the public housing administered by the agency or of the programs of the agency."; and

(C) by inserting after clause (iii) the following:

"(iv) take possession of all or part of the public housing agency, including all or part of any project or program of the agency, including any project or program under any other provision of this title; and"; and

(2) by striking subparagraphs (B) through (D) and inserting the following:

"(B)(i) If a public housing agency is identified as troubled under this subsection, the Secretary shall notify the agency of the troubled status of the agency.

"(ii)(I) Upon the expiration of the 1-year period beginning on the later of the date on which the agency receives notice from the Secretary of the troubled status of the agency under clause (i) and the date of enactment of the Public Housing Reform and Responsibility Act of 1997, the Secretary shall—

"(aa) in the case of a troubled public housing agency with 1,250 or more units, petition for the appointment of a receiver pursuant to subparagraph (A)(ii); or

"(bb) in the case of a troubled public housing agency with fewer than 1,250 units, either petition for the appointment of a receiver pursuant to subparagraph (A)(ii), or take possession of the public housing agency (including all or part of any project or program of the agency) pursuant to subparagraph (A)(iv) and appoint, on a competitive or noncompetitive basis, an individual or entity as an administrative receiver to assume the responsibilities of the Secretary for the administration of all or part of the public

housing agency (including all or part of any project or program of the agency).

"(II) During the period between the date on which a petition is filed under item (aa) and the date on which a receiver assumes responsibility for the management of the public housing agency under that item, the Secretary may take possession of the public housing agency (including all or part of any project or program of the agency) pursuant to subparagraph (A)(iv) and may appoint, on a competitive or noncompetitive basis, an individual or entity as an administrative receiver to assume the responsibilities of the Secretary for the administration of all or part of the public housing agency (including all or part of any project or program of the agency).

"(C) If a receiver is appointed pursuant to subparagraph (A)(ii), in addition to the powers accorded by the court appointing the receiver, the receiver—

"(i) may abrogate any contract to which the United States or an agency of the United States is not a party that, in the receiver's written determination (which shall include the basis for such determination), substantially impedes correction of the substantial default, but only after the receiver determines that reasonable efforts to renegotiate such contract have failed;

"(ii) may demolish and dispose of all or part of the assets of the public housing agency (including all or part of any project of the agency) in accordance with section 18, including disposition by transfer of properties to resident-supported nonprofit entities;

"(iii) if determined to be appropriate by the Secretary, may seek the establishment, as permitted by applicable State and local law, of 1 or more new public housing agencies;

"(iv) if determined to be appropriate by the Secretary, may seek consolidation of all or part of the agency (including all or part of any project or program of the agency), as permitted by applicable State and local laws, into other well-managed public housing agencies with the consent of such well-managed agencies; and

"(v) shall not be required to comply with any State or local law relating to civil service requirements, employee rights (except civil rights), procurement, or financial or administrative controls that, in the receiver's written determination (which shall include the basis for such determination), substantially impedes correction of the substantial default.

"(D)(i) If the Secretary takes possession of all or part of the public housing agency, including all or part of any project or program of the agency, pursuant to subparagraph (A)(iv), the Secretary—

"(I) may abrogate any contract to which the United States or an agency of the United States is not a party that, in the written determination of the Secretary (which shall include the basis for such determination), substantially impedes correction of the substantial default, but only after the Secretary determines that reasonable efforts to renegotiate such contract have failed;

"(II) may demolish and dispose of all or part of the assets of the public housing agency (including all or part of any project of the agency) in accordance with section 18, including disposition by transfer of properties to resident-supported nonprofit entities;

"(III) may seek the establishment, as permitted by applicable State and local law, of 1 or more new public housing agencies;

"(IV) may seek consolidation of all or part of the agency (including all or part of any project or program of the agency), as permitted by applicable State and local laws, into other well-managed public housing agencies with the consent of such well-managed agencies;

"(V) shall not be required to comply with any State or local law relating to civil service requirements, employee rights (except civil rights), procurement, or financial or administrative controls that, in the Secretary's written determination (which shall include the basis for such determination), substantially impedes correction of the substantial default; and

"(VI) shall, without any action by a district court of the United States, have such additional authority as a district court of the United States would have the authority to confer upon a receiver to achieve the purposes of the receivership.

"(ii) If the Secretary, pursuant to subparagraph (B)(ii)(II), appoints an administrative receiver to assume the responsibilities of the Secretary for the administration of all or part of the public housing agency (including all or part of any project or program of the agency), the Secretary may delegate to the administrative receiver any or all of the powers given the Secretary by this subparagraph, as the Secretary determines to be appropriate.

"(iii) Regardless of any delegation under this subparagraph, an administrative receiver may not seek the establishment of 1 or more new public housing agencies pursuant to clause (i)(III) or the consolidation of all or part of an agency into other well-managed agencies pursuant to clause (i)(IV), unless the Secretary first approves an application by the administrative receiver to authorize such action.

"(E) The Secretary may make available to receivers and other entities selected or appointed pursuant to this paragraph such assistance as the Secretary determines in the discretion of the Secretary is necessary and available to remedy the substantial deterioration of living conditions in individual public housing developments or other related emergencies that endanger the health, safety, and welfare of public housing residents or families assisted under section 8. A decision made by the Secretary under this paragraph is not subject to review in any court of the United States, or in any court of any State, territory, or possession of the United States.

"(F) In any proceeding under subparagraph (A)(ii), upon a determination that a substantial default has occurred, and without regard to the availability of alternative remedies, the court shall appoint a receiver to conduct the affairs of all or part of the public housing agency in a manner consistent with this Act and in accordance with such further terms and conditions as the court may provide. The receiver appointed may be another public housing agency, a private management corporation, or any other person or appropriate entity. The court shall have power to grant appropriate temporary or preliminary relief pending final disposition of the petition by the Secretary.

"(G) The appointment of a receiver pursuant to this paragraph may be terminated, upon the petition of any party, when the court determines that all defaults have been cured or the public housing agency is capable again of discharging its duties.

"(H) If the Secretary (or an administrative receiver appointed by the Secretary) takes possession of a public housing agency (including all or part of any project or program of the agency), or if a receiver is appointed by a court, the Secretary or receiver shall be deemed to be acting not in the official capacity of that person or entity, but rather in the capacity of the public housing agency, and any liability incurred, regardless of whether the incident giving rise to that liability occurred while the Secretary or receiver was in possession of all or part of the public housing agency (including all or part of any project or program of the agency), shall be the liability of the public housing agency.".

(b) APPLICABILITY.—The provisions of, and duties and authorities conferred or confirmed by, the amendments made by subsection (a) shall apply with respect to any action taken before, on, or after the effective date of this Act and shall apply to any receiver appointed for a public housing agency before the date of enactment of this Act.

(c) TECHNICAL CORRECTION REGARDING APPLICABILITY TO SECTION 8.—Section 8(h) of the United States Housing Act of 1937 is amended by inserting "(except as provided in section 6(j)(3))" after "6".

SEC. 109. PUBLIC HOUSING SITE-BASED WAITING LISTS.

Section 6 of the United States Housing Act of 1937 is amended by adding at the end the following:

"(s) SITE-BASED WAITING LISTS.—

"(1) IN GENERAL.—A public housing agency may establish, in accordance with guidelines established by the Secretary, procedures for maintaining waiting lists for admissions to public housing developments of the agency, which may include a system under which applicants may apply directly at or otherwise designate the development or developments in which they seek to reside.

"(2) CIVIL RIGHTS.—Any procedures established under paragraph (1) shall comply with title VI of the Civil Rights Act of 1964, the Fair Housing Act, and other applicable civil rights laws.

"(3) NOTICE REQUIRED.—Any system described in paragraph (1) shall provide for the full disclosure by the public housing agency to each applicant of any option available to the applicant in the selection of the development in which to reside.".

SEC. 110. PUBLIC HOUSING CAPITAL AND OPERATING FUNDS.

(a) IN GENERAL.—Section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437g) is amended to read as follows:

"SEC. 9. PUBLIC HOUSING CAPITAL AND OPERATING FUNDS.

"(a) IN GENERAL.—Except for assistance provided under section 8 of this Act or as otherwise provided in the Public Housing Reform and Responsibility Act of 1997, all programs under which assistance is provided for public housing under this Act on the day before October 1, 1998, shall be merged, as appropriate, into either—

"(1) the Capital Fund established under subsection (c); or

"(2) the Operating Fund established under subsection (d).

"(b) USE OF EXISTING FUNDS.—With the exception of funds made available pursuant to section 8 or section 20(f) and funds made available for the urban revitalization demonstration program authorized under the Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Acts—

"(1) funds made available to the Secretary for public housing purposes that have not been obligated by the Secretary to a public housing agency as of October 1, 1998, shall be made available, for the period originally provided in law, for use in either the Capital Fund or the Operating Fund, as appropriate; and

"(2) funds made available to the Secretary for public housing purposes that have been obligated by the Secretary to a public housing agency but that, as of October 1, 1998, have not been obligated by the public housing agency, may be made available by that public housing agency, for the period originally provided in law, for use in either the Capital Fund or the Operating Fund, as appropriate.

"(c) CAPITAL FUND.—

"(1) IN GENERAL.—The Secretary shall establish a Capital Fund for the purpose of making assistance available to public housing agencies to carry out capital and management activities, including—

"(A) the development and modernization of public housing projects, including the redesign,

reconstruction, and reconfiguration of public housing sites and buildings and the development of mixed-finance projects;

"(B) vacancy reduction;

"(C) addressing deferred maintenance needs and the replacement of dwelling equipment;

"(D) planned code compliance;

"(E) management improvements;

"(F) demolition and replacement;

"(G) resident relocation;

"(H) capital expenditures to facilitate programs to improve the empowerment and economic self-sufficiency of public housing residents and to improve resident participation;

"(I) capital expenditures to improve the security and safety of residents; and

"(J) homeownership activities.

"(2) ESTABLISHMENT OF CAPITAL FUND FORMULA.—The Secretary shall develop a formula for providing assistance under the Capital Fund, which may take into account—

"(A) the number of public housing dwelling units owned or operated by the public housing agency and the percentage of those units that are occupied by very low-income families;

"(B) if applicable, the reduction in the number of public housing units owned or operated by the public housing agency as a result of any conversion to a system of tenant-based assistance;

"(C) the costs to the public housing agency of meeting the rehabilitation and modernization needs, and meeting the reconstruction, development, replacement housing, and demolition needs of public housing dwelling units owned and operated by the public housing agency;

"(D) the degree of household poverty served by the public housing agency;

"(E) the costs to the public housing agency of providing a safe and secure environment in public housing units owned and operated by the public housing agency; and

"(F) the ability of the public housing agency to effectively administer the Capital Fund distribution of the public housing agency.

"(3) CONDITION ON USE OF THE CAPITAL FUND FOR DEVELOPMENT AND MODERNIZATION.—

"(A) DEVELOPMENT.—Any public housing developed using amounts provided under this subsection shall be operated for a 40-year period under the terms and conditions applicable to public housing during that period, beginning on the date on which the development (or stage of development) becomes available for occupancy.

"(B) MODERNIZATION.—Any public housing, or portion thereof, that is modernized using amounts provided under this subsection shall be maintained and operated for a 20-year period under the terms and conditions applicable to public housing during that period, beginning on the latest date on which modernization is completed.

"(C) APPLICABILITY OF LATEST EXPIRATION DATE.—Public housing subject to this paragraph or to any other provision of law mandating the operation of the housing as public housing or under the terms and conditions applicable to public housing for a specified length of time shall be maintained and operated as required until the latest expiration date.

"(d) OPERATING FUND.—

"(1) IN GENERAL.—The Secretary shall establish an Operating Fund for the purpose of making assistance available to public housing agencies for the operation and management of public housing, including—

"(A) procedures and systems to maintain and ensure the efficient management and operation of public housing units;

"(B) activities to ensure a program of routine preventative maintenance;

"(C) anticrime and antidrug activities, including the costs of providing adequate security for public housing residents;

"(D) activities related to the provision of services, including service coordinators for elderly persons or persons with disabilities;

"(E) activities to provide for management and participation in the management and policymaking of public housing by public housing residents;

"(F) the costs associated with the operation and management of mixed-finance projects, to the extent appropriate (including the funding of an operating reserve to ensure affordability for low-income and very low-income families in lieu of the availability of operating funds for public housing units in a mixed-finance project);

"(G) the reasonable costs of insurance;

"(H) the reasonable energy costs associated with public housing units, with an emphasis on energy conservation; and

"(I) the costs of administering a public housing work program under section 12, including the costs of any related insurance needs.

"(2) ESTABLISHMENT OF OPERATING FUND FORMULA.—The Secretary shall establish a formula for providing assistance under the Operating Fund, which may take into account—

"(A) standards for the costs of operation and reasonable projections of income, taking into account the character and location of the public housing project and characteristics of the families served, or the costs of providing comparable services as determined with criteria or a formula representing the operations of a prototype well-managed public housing project;

"(B) the number of public housing dwelling units owned and operated by the public housing agency, the percentage of those units that are occupied by very low-income families, and, if applicable, the reduction in the number of public housing units as a result of any conversion to a system of tenant-based assistance;

"(C) the degree of household poverty served by a public housing agency;

"(D) the extent to which the public housing agency provides programs and activities designed to promote the economic self-sufficiency and management skills of public housing residents;

"(E) the number of dwelling units owned and operated by the public housing agency that are chronically vacant and the amount of assistance appropriate for those units;

"(F) the costs of the public housing agency associated with anticrime and antidrug activities, including the costs of providing adequate security for public housing residents; and

"(G) the ability of the public housing agency to effectively administer the Operating Fund distribution of the public housing agency.

"(e) LIMITATIONS ON USE OF FUNDS.—

"(1) IN GENERAL.—Each public housing agency may use not more than 20 percent of the Capital Fund distribution of the public housing agency for activities that are eligible for assistance under the Operating Fund under subsection (d), if the public housing agency plan provides for such use.

"(2) NEW CONSTRUCTION.—

"(A) IN GENERAL.—A public housing agency may not use any of the Capital Fund or Operating Fund distributions of the public housing agency for the purpose of constructing any public housing unit, if such construction would result in a net increase in the number of public housing units owned or operated by the public housing agency on the date of enactment of the Public Housing Reform and Responsibility Act of 1997, including any public housing units demolished as part of any revitalization effort.

"(B) EXCEPTION.—

"(i) IN GENERAL.—Notwithstanding subparagraph (A), a public housing agency may use the Capital Fund or Operating Fund distributions of the public housing agency for the construction and operation of housing units that are available and affordable to low-income families in excess of the limitations on new construction set forth in subparagraph (A), except that the formulas established under subsections (c)(2) and (d)(2) shall not provide additional funding for the specific purpose of allowing construction and operation of housing in excess of those limitations.

"(ii) EXCEPTION.—Notwithstanding clause (i), subject to reasonable limitations set by the Secretary, the formulae established under subsections (c)(2) and (d)(2) may provide additional funding for the operation and modernization costs (but not the initial development costs) of housing in excess of amounts otherwise permitted under this paragraph if—

"(I) those units are part of a mixed-finance project or otherwise leverage significant additional private or public investment; and

"(II) the estimated cost of the useful life of the project is less than the estimated cost of providing tenant-based assistance under section 8(o) for the same period of time.

"(f) DIRECT PROVISION OF OPERATING AND CAPITAL ASSISTANCE.—

"(1) IN GENERAL.—The Secretary shall directly provide operating and capital assistance under this section to a resident management corporation managing a public housing development pursuant to a contract under this section, but only if—

"(A) the resident management corporation petitions the Secretary for the release of the funds;

"(B) the contract provides for the resident management corporation to assume the primary management responsibilities of the public housing agency; and

"(C) the Secretary determines that the corporation has the capability to effectively discharge such responsibilities.

"(2) USE OF ASSISTANCE.—Any operating and capital assistance provided to a resident management corporation pursuant to this subsection shall be used for purposes of operating the public housing developments of the agency and performing such other eligible activities with respect to public housing as may be provided under the contract.

"(3) RESPONSIBILITY OF PUBLIC HOUSING AGENCY.—If the Secretary provides direct funding to a resident management corporation under this subsection, the public housing agency shall not be responsible for the actions of the resident management corporation.

"(g) TECHNICAL ASSISTANCE.—To the extent approved in advance in appropriations Acts, the Secretary may make grants or enter into contracts in accordance with this subsection for purposes of providing, either directly or indirectly—

"(1) technical assistance to public housing agencies, resident councils, resident organizations, and resident management corporations, including assistance relating to monitoring and inspections;

"(2) training for public housing agency employees and residents;

"(3) data collection and analysis; and

"(4) training, technical assistance, and education to assist public housing agencies that are—

"(A) at risk of being designated as troubled under section 6(j) from being so designated; and

"(B) designated as troubled under section 6(j) in achieving the removal of that designation.

"(h) EMERGENCY RESERVE.—

"(1) IN GENERAL.—

"(A) SET-ASIDE.—In each fiscal year, the Secretary shall set aside not more than 2 percent of the amount made available for use under the capital fund to carry out this section for that fiscal year for use in accordance with this subsection.

"(B) USE OF FUNDS.—Amounts set aside under this paragraph shall be available to the Secretary for use in connection with—

"(i) emergencies and other disasters;

"(ii) housing needs resulting from any settlement of litigation; and

"(iii) the Operation Safe Home program, except that amounts set aside under this clause may not exceed $10,000,000 in any fiscal year.

"(2) LIMITATION.—With respect to any fiscal year, the Secretary may carry over not more than a total of $25,000,000 in unobligated amounts set aside under this subsection for use in connection with the activities described in paragraph (1)(B) during the succeeding fiscal year.

"(3) REPORTS.—The Secretary and the Office of Inspector General shall report 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 regarding the feasibility of transferring the authority to administer the program functions implemented to reduce violent crime in public housing under Operation Safe Home to the Office of Public and Indian Housing or to the Department of Justice.

"(4) PUBLICATION.—The Secretary shall publish the use of any amounts allocated under this subsection relating to emergencies (other disasters and housing needs resulting from any settlement of litigation) in the Federal Register.

"(i) PENALTY FOR SLOW EXPENDITURE OF CAPITAL FUNDS.—

"(1) IN GENERAL.—

"(A) TIME PERIOD.—Except as provided in paragraph (2), and subject to subparagraph (B) of this paragraph, a public housing agency shall obligate any assistance received under this section not later than 18 months after the date on which the funds become available to the agency for obligation.

"(B) EXTENSION OF TIME PERIOD.—The Secretary may—

"(i) extend the time period described in subparagraph (A) for a period of not more than 1 year with respect to a public housing agency, if the Secretary determines that the failure of the public housing agency to obligate assistance in a timely manner is attributable to events beyond the control of the public housing agency; and

"(ii) provide an exception to the requirements of subparagraph (A) with respect to any de minimis amounts to be obligated by a public housing agency with the funding for the subsequent fiscal year of the public housing agency, to the extent that the Secretary determines such action to be necessary to permit the public housing agency to accumulate sufficient funding—

"(I) to undertake certain activities; and

"(II) to provide replacement housing.

"(C) EFFECT OF FAILURE TO COMPLY.—

"(i) IN GENERAL.—A public housing agency shall not be awarded assistance under this section for any month during any fiscal year in which the public housing agency has funds unobligated in violation of subparagraph (A).

"(ii) EFFECT OF FAILURE TO COMPLY.—During any fiscal year described in clause (i), the Secretary shall withhold all assistance that would otherwise be provided to the public housing agency. If the public housing agency cures its default during the year, it shall be provided with the share attributable to the months remaining in the year.

"(iii) REDISTRIBUTION.—The total amount of any funds not provided public housing agencies by operation of this subparagraph shall be distributed to high-performing agencies, as determined under section 6(j).

"(2) EXCEPTION.—

"(A) IN GENERAL.—Subject to subparagraph (B), if the Secretary has consented, before the date of enactment of the Public Housing Reform and Responsibility Act of 1997, to an obligation period for any agency longer than provided under paragraph (1)(A), a public housing agency that obligates its funds before the expiration of that period shall not be considered to be in violation of paragraph (1)(A).

"(B) FISCAL YEAR 1995.—Notwithstanding subparagraph (A)—

"(i) any funds appropriated to a public housing agency for fiscal year 1995, or for any preceding fiscal year, shall be fully obligated by the public housing agency not later than September 30, 1998; and

"(ii) any funds appropriated to a public housing agency for fiscal year 1996 or 1997 shall be fully obligated by the public housing agency not later than September 30, 1999.

"(3) EXPENDITURE OF AMOUNTS.—

"(A) IN GENERAL.—A public housing agency shall spend any assistance received under this section not later than 4 years (plus the period of any extension approved by the Secretary under paragraph (1)(B)) after the date on which funds become available to the agency for obligation.

"(B) ENFORCEMENT.—The Secretary shall enforce the requirement of subparagraph (A) through default remedies up to and including withdrawal of the funding.

"(4) RIGHT OF RECAPTURE.—Any obligation entered into by a public housing agency shall be subject to the right of the Secretary to recapture the obligated amounts for violation by the public housing agency of the requirements of this subsection.".

(b) IMPLEMENTATION; EFFECTIVE DATE; TRANSITION PERIOD.—

(1) IMPLEMENTATION.—Not later than 1 year after the date of enactment of this Act, in accordance with the negotiated rulemaking procedures set forth in subchapter III of chapter 5 of title 5, United States Code, the Secretary shall establish the formulas described in subsections (c)(3) and (d)(2) of section 9 of the United States Housing Act of 1937, as amended by this section.

(2) EFFECTIVE DATE.—The formulas established under paragraph (1) shall be effective only with respect to amounts made available under section 9 of the United States Housing Act of 1937, as amended by this section, in fiscal year 1999 or in any succeeding fiscal year.

(3) TRANSITION PERIOD.—

(A) IN GENERAL.—Subject to subparagraph (B), prior to the effective date described in paragraph (2), the Secretary shall provide that each public housing agency shall receive funding under sections 9 and 14 of the United States Housing Act of 1937, as those sections existed on the day before the date of enactment of this Act.

(B) QUALIFICATION.—If a public housing agency establishes a rental amount that is less than 30 percent of the monthly adjusted income of the family under section 3(a)(1)(A) of the United States Housing Act of 1937 (as amended by section 103(a) of this Act), the Secretary shall not take into account any reduction of or increase in the per unit dwelling rental income of the public housing agency resulting from the use of that rental amount in calculating the contributions for the public housing agency for the operation of the public housing under section 9 of the United States Housing Act of 1937 (as in existence on the day before the date of enactment of this Act).

SEC. 111. COMMUNITY SERVICE AND SELF-SUFFICIENCY.

Section 12 of the United States Housing Act of 1937 (42 U.S.C. 1437j) is amended by adding at the end the following:

"(c) COMMUNITY SERVICE AND SELF-SUFFICIENCY REQUIREMENT.—

"(1) MINIMUM REQUIREMENT.—Notwithstanding any other provision of law, each adult member of each family assisted under this title shall—

"(A) contribute not less than 8 hours per month of community service (not to include any political activity) within the community in which that adult resides; or

"(B) participate in a self-sufficiency program (as that term is defined in subsection (d)(1)) for not less than 8 hours per month.

"(2) INCLUSION IN PLAN.—Each public housing agency shall include in the public housing agency plan a detailed description of the manner in which the public housing agency intends to implement and administer paragraph (1).

"(3) EXEMPTIONS.—The Secretary may provide an exemption from paragraph (1) for any adult who—

"(A) has attained age 62;

"(B) is a blind or disabled individual, as defined under section 1614 of the Social Security Act (42 U.S.C. 1382c) and who is unable to comply with this section, or a primary caretaker of that individual;

"(C) is engaged in a work activity (as that term is defined in subsection (d)(1)(C)); or

"(D) meets the requirements for being exempted from having to engage in a work activity under the State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) or under any other welfare program of the State in which the public housing agency is located.

"(d) SELF-SUFFICIENCY.—

"(1) DEFINITIONS.—In this section—

"(A) the term 'covered family' means a family that—

"(i) receives benefits for welfare or public assistance from a State or other public agency under a program for which the Federal, State, or local law relating to the program requires, as a condition of eligibility for assistance under the program, participation of a member of the family in a self-sufficiency program; and

"(ii) resides in a public housing dwelling unit or is provided tenant-based assistance;

"(B) the term 'self-sufficiency program' means any program designed to encourage, assist, train, or facilitate the economic independence of participants and their families or to provide work for participants, including programs for job training, employment counseling, work placement, basic skills training, education, workfare and apprenticeship; and

"(C) the term 'work activities' has the meaning given that term in section 407(d) of the Social Security Act (42 U.S.C. 607(d)) (as in effect on and after July 1, 1997).

"(2) COMPLIANCE.—

"(A) SANCTIONS.—Notwithstanding any other provision of law, if the welfare or public assistance benefits of a covered family are reduced under a Federal, State, or local law regarding such an assistance program because of any failure of any member of the family to comply with the conditions under the assistance program requiring participation in a self-sufficiency program or a work activities requirement, or because of an act of fraud by any member of the family under the law or program, the amount required to be paid by the family as a monthly contribution toward rent may not be decreased, during the period of the reduction, as a result of any decrease in the income of the family (to the extent that the decrease in income is a result of the benefits reduction).

"(B) REVIEW.—Any covered family that is affected by the operation of this paragraph shall have the right to review the determination under this paragraph through the administrative grievance procedure for the public housing agency.

"(C) NOTICE.—Subparagraph (A) shall not apply to any covered family before the public housing agency providing assistance under this Act on behalf of the family obtains written notification from the relevant welfare or public assistance agency specifying that the family's benefits have been reduced because of noncompliance with self-sufficiency program or an applicable work activities requirement and the level of such reduction.

"(D) NO APPLICATION OF REDUCTIONS BASED ON TIME LIMIT FOR ASSISTANCE.—For purposes of this paragraph, a reduction in benefits as a result of the expiration of a lifetime time limit for a family receiving welfare or public assistance benefits shall not be considered to be a failure to comply with the conditions under the assistance program requiring participation in a self-sufficiency program or a work activities requirement.

"(3) OCCUPANCY RIGHTS.—This subsection may not be construed to authorize any public housing agency to limit the duration of tenancy in a public housing dwelling unit or of tenant-based assistance.

"(4) COOPERATION AGREEMENTS FOR SELF-SUFFICIENCY ACTIVITIES.—

"(A) REQUIREMENT.—To the maximum extent practicable, a public housing agency providing public housing dwelling units or tenant-based assistance for covered families shall enter into such cooperation agreements, with State, local, and other agencies providing assistance to covered families under welfare or public assistance programs, as may be necessary, to provide for such agencies to transfer information to facilitate administration of subsection (c) or paragraph (2) of this subsection, and other information regarding rents, income, and assistance that may assist a public housing agency or welfare or public assistance agency in carrying out its functions.

"(B) CONTENTS.—A public housing agency shall seek to include in a cooperation agreement under this paragraph requirements and provisions designed to target assistance under welfare and public assistance programs to families residing in public and other assisted housing developments, which may include providing for self-sufficiency services within such housing, providing for services designed to meet the unique employment-related needs of residents of such housing, providing for placement of workfare positions on-site in such housing, and such other elements as may be appropriate.

"(C) CONFIDENTIALITY.—This paragraph may not be construed to authorize any release of information that is prohibited by, or in contravention of, any other provision of Federal, State, or local law.".

SEC. 112. REPEAL OF ENERGY CONSERVATION; CONSORTIA AND JOINT VENTURES.

Section 13 of the United States Housing Act of 1937 (42 U.S.C. 1437k) is amended to read as follows:

"SEC. 13. CONSORTIA, JOINT VENTURES, AFFILIATES, AND SUBSIDIARIES OF PUBLIC HOUSING AGENCIES.

"(a) CONSORTIA.—

"(1) IN GENERAL.—Any 2 or more public housing agencies may participate in a consortium for the purpose of administering any or all of the housing programs of those public housing agencies in accordance with this section.

"(2) EFFECT.—With respect to any consortium described in paragraph (1)—

"(A) any assistance made available under this title to each of the public housing agencies participating in the consortium shall be paid to the consortium; and

"(B) all planning and reporting requirements imposed upon each public housing agency participating in the consortium with respect to the programs operated by the consortium shall be consolidated.

"(3) RESTRICTIONS.—

"(A) AGREEMENT.—Each consortium described in paragraph (1) shall be formed and operated in accordance with a consortium agreement, and shall be subject to the requirements of a joint public housing agency plan, which shall be submitted by the consortium in accordance with section 5A.

"(B) MINIMUM REQUIREMENTS.—The Secretary shall specify minimum requirements relating to the formation and operation of consortia and the minimum contents of consortium agreements under this paragraph.

"(b) JOINT VENTURES.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, a public housing agency, in accordance with the public housing agency plan, may—

"(A) form and operate wholly owned or controlled subsidiaries (which may be nonprofit corporations) and other affiliates, any of which may be directed, managed, or controlled by the same persons who constitute the board of commissioners or other similar governing body of the public housing agency, or who serve as employees or staff of the public housing agency; or

"(B) enter into joint ventures, partnerships, or other business arrangements with, or contract with, any person, organization, entity, or governmental unit, with respect to the administration of the programs of the public housing agency, including any program that is subject to this title.

"(2) USE OF AND TREATMENT INCOME.—Any income generated under paragraph (1)—

"(A) shall be used for low-income housing or to benefit the residents of the public housing agency; and

"(B) shall not result in any decrease in any amount provided to the public housing agency under this title.

"(3) AUDITS.—The Comptroller General of the United States, the Secretary, and the Inspector General of the Department of Housing and Urban Development may conduct an audit of any activity undertaken under paragraph (1) at any time.".

SEC. 113. REPEAL OF MODERNIZATION FUND.

(a) IN GENERAL.—Section 14 of the United States Housing Act of 1937 (42 U.S.C. 1437l) is repealed.

(b) CONFORMING AMENDMENTS.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(1) in section 5(c)(5), by striking "for use under section 14 or";

(2) in section 5(c)(7)—

(A) in subparagraph (A)—

(i) by striking clause (iii); and

(ii) by redesignating clauses (iv) through (x) as clauses (iii) through (ix), respectively; and

(B) in subparagraph (B)—

(i) by striking clause (iii); and

(ii) by redesignating clauses (iv) through (x) as clauses (iii) through (ix), respectively;

(3) in section 6(j)(1)—

(A) by striking subparagraph (B); and

(B) by redesignating subparagraphs (C) through (H) as subparagraphs (B) through (G), respectively;

(4) in section 6(j)(2)(A)—

(A) in clause (i), by striking "The Secretary shall also designate," and all that follows through the period at the end; and

(B) in clause (iii), by striking "(including designation as a troubled agency for purposes of the program under section 14)";

(5) in section 6(j)(2)(B)—

(A) in clause (i), by striking "and determining that an assessment under this subparagraph will not duplicate any review conducted under section 14(p)"; and

(B) in clause (ii)—

(i) by striking "(I) the agency's comprehensive plan prepared pursuant to section 14 adequately and appropriately addresses the rehabilitation needs of the agency's inventory, (II)" and inserting "(I)"; and

(ii) by striking "(III)" and inserting "(II)";

(6) in section 6(j)(3)—

(A) in clause (ii), by adding "and" at the end;

(B) by striking clause (iii); and

(C) by redesignating clause (iv) as clause (iii);

(7) in section 6(j)(4)—

(A) in subparagraph (D), by adding "and" at the end;

(B) in subparagraph (E), by striking "; and" at the end and inserting a period; and

(C) by striking subparagraph (F);

(8) in section 20—

(A) by striking subsection (c) and inserting the following:

"(c) [Reserved.]"; and

(B) by striking subsection (f) and inserting the following:

"(f) [Reserved.]";

(9) in section 21(a)(2)—

(A) by striking subparagraph (A); and

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

(10) in section 21(a)(3)(A)(v), by striking "the building or buildings meet the minimum safety and livability standards applicable under section 14, and";

(11) in section 25(b)(1), by striking "From amounts reserved" and all that follows through "the Secretary may" and inserting the following: "To the extent approved in appropriations Acts, the Secretary may";

(12) in section 25(e)(2)—

(A) by striking "The Secretary" and inserting "To the extent approved in appropriations Acts, the Secretary"; and

(B) by striking "available annually from amounts under section 14";

(13) in section 25(e), by striking paragraph (3);

(14) in section 25(f)(2)(G)(i), by striking "including—" and all that follows through "an explanation" and inserting "including an explanation";

(15) in section 25(i)(1), by striking the second sentence; and

(16) in section 202(b)(2)—

(A) by striking "(b) FINANCIAL ASSISTANCE.—" and all that follows through "The Secretary may," and inserting the following:

"(b) FINANCIAL ASSISTANCE.—The Secretary may"; and

(B) by striking paragraph (2).

SEC. 114. ELIGIBILITY FOR PUBLIC AND ASSISTED HOUSING.

Section 16 of the United States Housing Act of 1937 (42 U.S.C. 1437n) is amended to read as follows:

"SEC. 16. ELIGIBILITY FOR PUBLIC AND ASSISTED HOUSING.

"(a) INCOME ELIGIBILITY FOR PUBLIC HOUSING.—

"(1) IN GENERAL.—Of the dwelling units of a public housing agency, including public housing units in a designated mixed-finance project, made available for occupancy in any fiscal year of the public housing agency—

"(A) not less than 40 percent shall be occupied by families whose incomes do not exceed 30 percent of the area median income for those families;

"(B) not less than 75 percent shall be occupied by families whose incomes do not exceed 60 percent of the area median income for those families; and

"(C) any remaining dwelling units may be made available for families whose incomes do not exceed 80 percent of the area median income for those families.

"(2) ESTABLISHMENT OF DIFFERENT STANDARDS.—Notwithstanding paragraph (1), if approved by the Secretary, a public housing agency, in accordance with the public housing agency plan, may for good cause establish and implement an occupancy standard other than the standard described in paragraph (1).

"(3) PROHIBITION OF CONCENTRATION OF LOW-INCOME FAMILIES.—A public housing agency may not, in complying with the requirements under paragraph (1), concentrate very low-income families (or other families with relatively low incomes) in public housing dwelling units in

certain public housing developments or certain buildings within developments.

"(4) MIXED-INCOME HOUSING STANDARD.—Each public housing agency plan submitted by a public housing agency shall include a plan for achieving a diverse income mix among residents in each public housing project of the public housing agency and among the scattered site public housing of the public housing agency.

"(b) INCOME ELIGIBILITY FOR CERTAIN ASSISTED HOUSING.—

"(1) TENANT-BASED ASSISTANCE.—Of the dwelling units receiving tenant-based assistance under section 8 made available for occupancy in any fiscal year of the public housing agency—

"(A) not less than 50 percent shall be occupied by families whose incomes do not exceed 30 percent of the area median income for those families; and

"(B) any remaining dwelling units may be made available for families whose incomes do not exceed 80 percent of the area median income for those families.

"(2) ESTABLISHMENT OF DIFFERENT STANDARDS.—Notwithstanding paragraph (1), if approved by the Secretary, a public housing agency, in accordance with the public housing agency plan, may for good cause establish and implement an occupancy standard other than the standard described in paragraph (1).

"(3) PROJECT-BASED ASSISTANCE.—Of the total number of dwelling units in a project receiving assistance under section 8, other than assistance described in paragraph (1), that are made available for occupancy by eligible families in any year (as determined by the Secretary)—

"(A) not less than 40 percent shall be occupied by families whose incomes do not exceed 30 percent of the area median income; and

"(B) not less than 75 percent shall be occupied by families whose incomes do not exceed 60 percent of the area median income.

"(c) DEFINITION OF AREA MEDIAN INCOME.—In this section, the term 'area median income' means the median income of an area, as determined by the Secretary, with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than the percentages specified in subsections (a) and (b) if the Secretary determines that such variations are necessary because of unusually high or low family incomes.".

SEC. 115. DEMOLITION AND DISPOSITION OF PUBLIC HOUSING.

(a) IN GENERAL.—Section 18 of the United States Housing Act of 1937 (42 U.S.C. 1437p) is amended to read as follows:

"SEC. 18. DEMOLITION AND DISPOSITION OF PUBLIC HOUSING.

"(a) APPLICATIONS FOR DEMOLITION AND DISPOSITION.—Except as provided in subsection (b), not later than 60 days after receiving an application by a public housing agency for authorization, with or without financial assistance under this title, to demolish or dispose of a public housing project or a portion of a public housing project (including any transfer to a resident-supported nonprofit entity), the Secretary shall approve the application, if the public housing agency certifies—

"(1) in the case of—

"(A) an application proposing demolition of a public housing project or a portion of a public housing project, that—

"(i) the project or portion of the public housing project is obsolete as to physical condition, location, or other factors, making it unsuitable for housing purposes; and

"(ii) no reasonable program of modifications is cost-effective to return the public housing project or portion of the project to useful life; and

"(B) an application proposing the demolition of only a portion of a public housing project, that the demolition will help to assure the viability of the remaining portion of the project;

"(2) in the case of an application proposing disposition of a public housing project or other real property subject to this title by sale or other transfer, that—

"(A) the retention of the property is not in the best interests of the residents or the public housing agency because—

"(i) conditions in the area surrounding the public housing project adversely affect the health or safety of the residents or the feasible operation of the project by the public housing agency; or

"(ii) disposition allows the acquisition, development, or rehabilitation of other properties that will be more efficiently or effectively operated as low-income housing;

"(B) the public housing agency has otherwise determined the disposition to be appropriate for reasons that are—

"(i) in the best interests of the residents and the public housing agency;

"(ii) consistent with the goals of the public housing agency and the public housing agency plan; and

"(iii) otherwise consistent with this title; or

"(C) for property other than dwelling units, the property is excess to the needs of a public housing project or the disposition is incidental to, or does not interfere with, continued operation of a public housing project;

"(3) that the public housing agency has specifically authorized the demolition or disposition in the public housing agency plan, and has certified that the actions contemplated in the public housing agency plan comply with this section;

"(4) that the public housing agency—

"(A) will provide for the payment of the actual and reasonable relocation expenses of each resident to be displaced;

"(B) will ensure that each displaced resident is offered comparable housing—

"(i) that meets housing quality standards; and

"(ii) which may include—

"(I) tenant-based assistance;

"(II) project-based assistance; or

"(III) occupancy in a unit operated or assisted by the public housing agency at a rental rate paid by the resident that is comparable to the rental rate applicable to the unit from which the resident is vacated;

"(C) will provide any necessary counseling for residents who are displaced; and

"(D) will not commence demolition or complete disposition until all residents residing in the unit are relocated;

"(5) that the net proceeds of any disposition will be used—

"(A) unless waived by the Secretary, for the retirement of outstanding obligations issued to finance the original public housing project or modernization of the project; and

"(B) to the extent that any proceeds remain after the application of proceeds in accordance with subparagraph (A), for the provision of low-income housing or to benefit the residents of the public housing agency; and

"(6) that the public housing agency has complied with subsection (c).

"(b) DISAPPROVAL OF APPLICATIONS.—The Secretary shall disapprove an application submitted under subsection (a) if the Secretary determines that—

"(1) any certification made by the public housing agency under that subsection is clearly inconsistent with information and data available to the Secretary or information or data requested by the Secretary; or

"(2) the application was not developed in consultation with—

"(A) residents who will be affected by the proposed demolition or disposition; and

"(B) each resident advisory board and resident council, if any, that will be affected by the proposed demolition or disposition.

"(c) RESIDENT OPPORTUNITY TO PURCHASE IN CASE OF PROPOSED DISPOSITION.—

"(1) IN GENERAL.—In the case of a proposed disposition of a public housing project or portion of a project, the public housing agency shall, in appropriate circumstances, as determined by the Secretary, initially offer the property to any eligible resident organization, eligible resident management corporation, or nonprofit organization acting on behalf of the residents, if that entity has expressed an interest, in writing, to the public housing agency in a timely manner, in purchasing the property for continued use as low-income housing.

"(2) TIMING.—

"(A) THIRTY-DAY NOTICE.—A resident organization, resident management corporation, or other resident-supported nonprofit entity referred to in paragraph (1) may express interest in purchasing property that is the subject of a disposition, as described in paragraph (1), during the 30-day period beginning on the date of notification of a proposed sale of the property.

"(B) SIXTY-DAY NOTICE.—If an entity expresses written interest in purchasing a property, as provided in subparagraph (A), no disposition of the property shall occur during the 60-day period beginning on the date of receipt of that written notice, during which time that entity shall be given the opportunity to obtain a firm commitment for financing the purchase of the property.

"(d) REPLACEMENT UNITS.—Notwithstanding any other provision of law, replacement housing units for public housing units demolished in accordance with this section may be built on the original public housing location or in the same neighborhood as the original public housing location if the number of those replacement units is fewer than the number of units demolished.".

(b) HOMEOWNERSHIP REPLACEMENT PLAN.—

(1) IN GENERAL.—Section 304(g) of the United States Housing Act of 1937 (42 U.S.C. 1437aaa-3(g)), as amended by section 1002(b) of the Emergency Supplemental Appropriations for Additional Disaster Assistance, for Anti-terrorism Initiatives, for Assistance in the Recovery from the Tragedy that Occurred At Oklahoma City, and Rescissions Act, 1995 (Public Law 104–19; 109 Stat. 236), is amended to read as follows:

"(g) [Reserved.]".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall be effective with respect to any plan for the demolition, disposition, or conversion to homeownership of public housing that is approved by the Secretary after September 30, 1995.

(c) UNIFORM RELOCATION AND REAL PROPERTY ACQUISITION ACT.—The Uniform Relocation and Real Property Acquisition Act shall not apply to activities under section 18 of the United States Housing Act of 1937, as amended by this section.

SEC. 116. REPEAL OF FAMILY INVESTMENT CENTERS; VOUCHER SYSTEM FOR PUBLIC HOUSING.

(a) IN GENERAL.—Section 22 of the United States Housing Act of 1937 (42 U.S.C. 1437t) is amended to read as follows:

"SEC. 22. VOUCHER SYSTEM FOR PUBLIC HOUSING.

"(a) IN GENERAL.—

"(1) AUTHORIZATION.—A public housing agency may convert any public housing project (or portion thereof) owned and operated by the public housing agency to a system of tenant-based assistance in accordance with this section.

"(2) REQUIREMENTS.—In converting to a tenant-based system of assistance under this section, the public housing agency shall develop a conversion assessment and plan under subsection (b) in consultation with the appropriate

public officials, with significant participation by the residents of the project (or portion thereof), which assessment and plan shall—

"(A) be consistent with and part of the public housing agency plan; and

"(B) describe the conversion and future use or disposition of the public housing project, including an impact analysis on the affected community.

"(b) CONVERSION ASSESSMENT AND PLAN.—

"(1) IN GENERAL.—Not later than 2 years after the date of enactment of the Public Housing Reform and Responsibility Act of 1997, each public housing agency shall assess the status of each public housing project owned and operated by that public housing agency, and shall submit to the Secretary an assessment that includes—

"(A) a cost analysis that demonstrates whether or not the cost (both on a net present value basis and in terms of new budget authority requirements) of providing tenant-based assistance under section 8 for the same families in substantially similar dwellings over the same period of time is less expensive than continuing public housing assistance in the public housing project proposed for conversion for the remaining useful life of the project;

"(B) an analysis of the market value of the public housing project proposed for conversion both before and after rehabilitation, and before and after conversion;

"(C) an analysis of the rental market conditions with respect to the likely success of tenant-based assistance under section 8 in that market for the specific residents of the public housing project proposed for conversion, including an assessment of the availability of decent and safe dwellings renting at or below the payment standard established for tenant-based assistance under section 8 by the public housing agency;

"(D) the impact of the conversion to a system of tenant-based assistance under this section on the neighborhood in which the public housing project is located; and

"(E) a plan that identifies actions, if any, that the public housing agency would take with regard to converting any public housing project or projects (or portions thereof) of the public housing agency to a system of tenant-based assistance.

"(2) STREAMLINED ASSESSMENT.—At the discretion of the Secretary or at the request of a public housing agency, the Secretary may waive any or all of the requirements of paragraph (1) or otherwise require a streamlined assessment with respect to any public housing project or class of public housing projects.

"(3) IMPLEMENTATION OF CONVERSION PLAN.—

"(A) IN GENERAL.—A public housing agency may implement a conversion plan only if the conversion assessment under this section demonstrates that the conversion—

"(i) will not be more expensive than continuing to operate the public housing project (or portion thereof) as public housing; and

"(ii) will principally benefit the residents of the public housing project (or portion thereof) to be converted, the public housing agency, and the community.

"(B) DISAPPROVAL.—The Secretary shall disapprove a conversion plan only if the plan is plainly inconsistent with the conversion assessment under subsection (b) or if there is reliable information and data available to the Secretary that contradicts that conversion assessment.

"(c) OTHER REQUIREMENTS.—To the extent approved by the Secretary, the funds used by the public housing agency to provide tenant-based assistance under section 8 shall be added to the annual contribution contract administered by the public housing agency.".

(b) SAVINGS PROVISION.—The amendment made by subsection (a) does not affect any contract or other agreement entered into under section 22 of the United States Housing Act of 1937, as that section existed on the day before the date of enactment of this Act.

SEC. 117. REPEAL OF FAMILY SELF-SUFFICIENCY; HOMEOWNERSHIP OPPORTUNITIES.

(a) IN GENERAL.—Section 23 of the United States Housing Act of 1937 (42 U.S.C. 1437u) is amended to read as follows:

"SEC. 23. PUBLIC HOUSING HOMEOWNERSHIP OPPORTUNITIES.

"(a) IN GENERAL.—Notwithstanding any other provision of law, a public housing agency may, in accordance with this section—

"(1) sell any public housing unit in any public housing project of the public housing agency to—

"(A) the low-income residents of the public housing agency; or

"(B) any organization serving as a conduit for sales to those persons; and

"(2) provide assistance to public housing residents to facilitate the ability of those residents to purchase a principal residence.

"(b) RIGHT OF FIRST REFUSAL.—In making any sale under this section, the public housing agency shall initially offer the public housing unit at issue to the resident or residents occupying that unit, if any, or to an organization serving as a conduit for sales to any such resident.

"(c) SALE PRICES, TERMS, AND CONDITIONS.—Any sale under this section may involve such prices, terms, and conditions as the public housing agency may determine in accordance with procedures set forth in the public housing agency plan.

"(d) PURCHASE REQUIREMENTS.—

"(1) IN GENERAL.—Each resident that purchases a dwelling unit under subsection (a) shall, as of the date on which the purchase is made—

"(A) intend to occupy the property as a principal residence; and

"(B) submit a written certification to the public housing agency that such resident will occupy the property as a principal residence for a period of not less than 12 months beginning on that date.

"(2) RECAPTURE.—Except for good cause, as determined by a public housing agency in the public housing agency plan, if, during the 1-year period beginning on the date on which any resident acquires a public housing unit under this section, that public housing unit is resold, the public housing agency shall recapture 75 percent of the amount of any proceeds from that resale that exceed the sum of—

"(A) the original sale price for the acquisition of the property by the qualifying resident;

"(B) the costs of any improvements made to the property after the date on which the acquisition occurs; and

"(C) any closing costs incurred in connection with the acquisition.

"(e) PROTECTION OF NONPURCHASING RESIDENTS.—If a public housing resident does not exercise the right of first refusal under subsection (b) with respect to the public housing unit in which the resident resides, the public housing agency shall—

"(1) ensure that either another public housing unit or rental assistance under section 8 is made available to the resident; and

"(2) provide for the payment of the actual and reasonable relocation expenses of the resident.

"(f) NET PROCEEDS.—The net proceeds of any sales under this section remaining after payment of all costs of the sale and any unassumed, unpaid indebtedness owed in connection with the dwelling units sold under this section unless waived by the Secretary, shall be used for purposes relating to low-income housing and in accordance with the public housing agency plan.

"(g) HOMEOWNERSHIP ASSISTANCE.—From amounts distributed to a public housing agency under section 9, or from other income earned by the public housing agency, the public housing agency may provide assistance to public housing residents to facilitate the ability of those residents to purchase a principal residence, including a residence other than a residence located in a public housing project.".

(b) CONFORMING AMENDMENTS.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(1) in section 8(y)(7)(A)—

(A) by striking ", (ii)" and inserting ", and (ii)"; and

(B) by striking ", and (iii)" and all that follows before the period at the end; and

(2) in section 25(l)(2)—

(A) in the first sentence, by striking ", consistent with the objectives of the program under section 23,"; and

(B) by striking the second sentence.

(c) SAVINGS PROVISION.—The amendments made by this section do not affect any contract or other agreement entered into under section 23 of the United States Housing Act of 1937, as that section existed on the day before the date of enactment of this Act.

SEC. 118. REVITALIZING SEVERELY DISTRESSED PUBLIC HOUSING.

Section 24 of the United States Housing Act of 1937 (42 U.S.C. 1437v) is amended to read as follows:

"SEC. 24. REVITALIZING SEVERELY DISTRESSED PUBLIC HOUSING.

"(a) IN GENERAL.—To the extent provided in advance in appropriations Acts, the Secretary may make grants to public housing agencies for the purposes of—

"(1) enabling the demolition of obsolete public housing projects or portions thereof;

"(2) revitalizing sites (including remaining public housing units) on which such public housing projects are located;

"(3) the provision of replacement housing, which will avoid or lessen concentrations of very low-income families; and

"(4) the provision of tenant-based assistance under section 8 for use as replacement housing.

"(b) COMPETITION.—The Secretary shall make grants under this section on the basis of a competition, which shall be based on such factors as—

"(1) the need for additional resources for addressing a severely distressed public housing project;

"(2) the need for affordable housing in the community;

"(3) the supply of other housing available and affordable to a family receiving tenant-based assistance under section 8; and

"(4) the local impact of the proposed revitalization program.

"(c) TERMS AND CONDITIONS.—The Secretary may impose such terms and conditions on recipients of grants under this section as the Secretary determines to be appropriate to carry out the purposes of this section, except that such terms and conditions shall be similar to the terms and conditions of either—

"(1) the urban revitalization demonstration program authorized under the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Acts; or

"(2) section 24 of the United States Housing Act of 1937, as such section existed before the date of enactment of the Public Housing Reform and Responsibility Act of 1997.

"(d) ALTERNATIVE MANAGEMENT.—The Secretary may require any recipient of a grant under this section to make arrangements with an entity other than the public housing agency to carry out the purposes for which the grant

was awarded, if the Secretary determines that such action is necessary for the timely and effective achievement of the purposes for which the grant was awarded.

"(e) SUNSET.—No grant may be made under this section on or after October 1, 1999.".

SEC. 119. MIXED-FINANCE AND MIXED-OWNERSHIP PROJECTS.

(a) IN GENERAL.—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:

"SEC. 30. MIXED-FINANCE AND MIXED-OWNERSHIP PROJECTS.

"(a) IN GENERAL.—A public housing agency may own, operate, assist, or otherwise participate in 1 or more mixed-finance projects in accordance with this section.

"(b) REQUIREMENTS.—

"(1) MIXED-FINANCE PROJECT.—In this section, the term 'mixed-finance project' means a project that meets the requirements of paragraph (2) and that is occupied both by 1 or more very low-income families and by 1 or more families that are not very low-income families.

"(2) STRUCTURE OF PROJECTS.—Each mixed-finance project shall be developed—

"(A) in a manner that ensures that units are made available in the project, by master contract, individual lease, or equity interest for occupancy by eligible families identified by the public housing agency for a period of not less than 20 years;

"(B) in a manner that ensures that the number of public housing units bears approximately the same proportion to the total number of units in the mixed-finance project as the value of the total financial commitment provided by the public housing agency bears to the value of the total financial commitment in the project, or shall not be less than the number of units that could have been developed under the conventional public housing program with the assistance; and

"(C) in accordance with such other requirements as the Secretary may prescribe by regulation.

"(3) TYPES OF PROJECTS.—The term 'mixed-finance project' includes a project that is developed—

"(A) by a public housing agency or by an entity affiliated with a public housing agency;

"(B) by a partnership, a limited liability company, or other entity in which the public housing agency (or an entity affiliated with a public housing agency) is a general partner, managing member, or otherwise participates in the activities of that entity;

"(C) by any entity that grants to the public housing agency the option to purchase the public housing project during the 20-year period beginning on the date of initial occupancy of the public housing project in accordance with section 42(l)(7) of the Internal Revenue Code of 1986; or

"(D) in accordance with such other terms and conditions as the Secretary may prescribe by regulation.

"(c) TAXATION.—

"(1) IN GENERAL.—A public housing agency may elect to have all public housing units in a mixed-finance project subject to local real estate taxes, except that such units shall be eligible at the discretion of the public housing agency for the taxing requirements under section 6(d).

"(2) LOW-INCOME HOUSING TAX CREDIT.—With respect to any unit in a mixed-finance project that is assisted pursuant to the low-income housing tax credit under section 42 of the Internal Revenue Code of 1986, the rents charged to the residents may be set at levels not to exceed the amounts allowable under that section.

"(d) RESTRICTION.—No assistance provided under section 9 shall be used by a public housing agency in direct support of any unit rented to a family that is not a low-income family.

"(e) EFFECT OF CERTAIN CONTRACT TERMS.—If an entity that owns or operates a mixed-finance project under this section enters into a contract with a public housing agency, the terms of which obligate the entity to operate and maintain a specified number of units in the project as public housing units in accordance with the requirements of this Act for the period required by law, such contractual terms may provide that, if, as a result of a reduction in appropriations under section 9, or any other change in applicable law, the public housing agency is unable to fulfill its contractual obligations with respect to those public housing units, that entity may deviate, under procedures and requirements developed through regulations by the Secretary, from otherwise applicable restrictions under this Act regarding rents, income eligibility, and other areas of public housing management with respect to a portion or all of those public housing units, to the extent necessary to preserve the viability of those units while maintaining the low-income character of the units to the maximum extent practicable.".

(b) REGULATIONS.—The Secretary shall issue such regulations as may be necessary to promote the development of mixed-finance projects, as that term is defined in section 30 of the United States Housing Act of 1937 (as added by this Act).

SEC. 120. CONVERSION OF DISTRESSED PUBLIC HOUSING TO TENANT-BASED ASSISTANCE.

(a) IN GENERAL.—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:

"SEC. 31. CONVERSION OF DISTRESSED PUBLIC HOUSING TO TENANT-BASED ASSISTANCE.

"(a) IDENTIFICATION OF UNITS.—Each public housing agency shall identify all public housing projects of the public housing agency—

"(1) that are on the same or contiguous sites;

"(2) that the public housing agency determines to be distressed, which determination shall be made in accordance with guidelines established by the Secretary, which guidelines shall be based on the criteria established in the Final Report of the National Commission on Severely Distressed Public Housing (August 1992);

"(3) identified as distressed housing under paragraph (2) for which the public housing agency cannot assure the long-term viability as public housing through reasonable modernization expenses, density reduction, achievement of a broader range of family income, or other measures; and

"(4) for which the estimated cost, during the remaining useful life of the project, of continued operation and modernization as public housing exceeds the estimated cost, during the remaining useful life of the project, of providing tenant-based assistance under section 8 for all families in occupancy, based on appropriate indicators of cost (such as the percentage of total development costs required for modernization).

"(b) CONSULTATION.—Each public housing agency shall consult with the appropriate public housing residents and the appropriate unit of general local government in identifying any public housing projects under subsection (a).

"(c) REMOVAL OF UNITS FROM THE INVENTORIES OF PUBLIC HOUSING AGENCIES.—

"(1) IN GENERAL.—

"(A) DEVELOPMENT OF PLAN.—Each public housing agency shall develop and, to the extent provided in advance in appropriations Acts, carry out a 5-year plan in conjunction with the Secretary for the removal of public housing units identified under subsection (a) from the inventory of the public housing agency and the annual contributions contract.

"(B) APPROVAL OF PLAN.—The plan required under subparagraph (A) shall—

"(i) be included as part of the public housing agency plan;

"(ii) be certified by the relevant local official to be in accordance with the comprehensive housing affordability strategy under title I of the Housing and Community Development Act of 1992; and

"(iii) include a description of any disposition and demolition plan for the public housing units.

"(2) EXTENSIONS.—The Secretary may extend the 5-year deadline described in paragraph (1) by not more than an additional 5 years if the Secretary makes a determination that the deadline is impracticable.

"(d) CONVERSION TO TENANT-BASED ASSISTANCE.—

"(1) IN GENERAL.—To the extent approved in advance in appropriations Acts, the Secretary shall make authority available to a public housing agency to provide assistance under this Act to families residing in any public housing project that is removed from the inventory of the public housing agency and the annual contributions contract pursuant to this section.

"(2) PLAN REQUIREMENTS.—Each plan under subsection (c) shall require the agency—

"(A) to notify each family residing in the public housing project, consistent with any guidelines issued by the Secretary governing such notifications, that—

"(i) the public housing project will be removed from the inventory of the public housing agency;

"(ii) the demolition will not commence until each resident residing in the public housing project is relocated; and

"(iii) each family displaced by such action will be offered comparable housing—

"(I) that meets housing quality standards; and

"(II) which may include—

"(aa) tenant-based assistance;

"(bb) project-based assistance; or

"(cc) occupancy in a unit operated or assisted by the public housing agency at a rental rate paid by the family that is comparable to the rental rate applicable to the unit from which the family is vacated;

"(B) to provide any necessary counseling for families displaced by such action; and

"(C) to provide any actual and reasonable relocation expenses for families displaced by such action.

"(e) REMOVAL BY SECRETARY.—The Secretary shall take appropriate actions to ensure removal of any public housing project identified under subsection (a) from the inventory of a public housing agency, if the public housing agency fails to adequately develop a plan under subsection (c) with respect to that project, or fails to adequately implement such plan in accordance with the terms of the plan.

"(f) ADMINISTRATION.—

"(1) IN GENERAL.—The Secretary may require a public housing agency to provide to the Secretary or to public housing residents such information as the Secretary considers to be necessary for the administration of this section.

"(2) APPLICABILITY OF SECTION 18.—Section 18 does not apply to the demolition of public housing projects removed from the inventory of the public housing agency under this section.".

(b) CONFORMING AMENDMENT.—Section 202 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (42 U.S.C. 1437l note) is repealed.

SEC. 121. PUBLIC HOUSING MORTGAGES AND SECURITY INTERESTS.

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:

"SEC. 32. PUBLIC HOUSING MORTGAGES AND SECURITY INTERESTS.

"(a) GENERAL AUTHORIZATION.—The Secretary may, upon such terms and conditions as

the Secretary may prescribe, authorize a public housing agency to mortgage or otherwise grant a security interest in any public housing project or other property of the public housing agency.

"(b) TERMS AND CONDITIONS.—

"(1) CRITERIA FOR APPROVAL.—In making any authorization under subsection (a), the Secretary may consider—

"(A) the ability of the public housing agency to use the proceeds of the mortgage or security interest for low-income housing uses;

"(B) the ability of the public housing agency to make payments on the mortgage or security interest; and

"(C) such other criteria as the Secretary may specify.

"(2) TERMS AND CONDITIONS OF MORTGAGES AND SECURITY INTERESTS OBTAINED.—Each mortgage or security interest granted under this section shall be—

"(A) for a term that—

"(i) is consistent with the terms of private loans in the market area in which the public housing project or property at issue is located; and

"(ii) does not exceed 30 years; and

"(B) subject to conditions that are consistent with the conditions to which private loans in the market area in which the subject project or other property is located are subject.

"(3) NO FEDERAL LIABILITY.—No action taken under this section shall result in any liability to the Federal Government.".

SEC. 122. LINKING SERVICES TO PUBLIC HOUSING RESIDENTS.

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:

"SEC. 33. SERVICES FOR PUBLIC HOUSING RESIDENTS.

"(a) IN GENERAL.—To the extent provided in advance in appropriations Acts, the Secretary may make grants to public housing agencies on behalf of public housing residents, or directly to resident management corporations, resident councils, or resident organizations (including nonprofit entities supported by residents), for the purposes of providing a program of supportive services and resident empowerment activities to assist public housing residents in becoming economically self-sufficient.

"(b) ELIGIBLE ACTIVITIES.—Grantees under this section may use such amounts only for activities on or near the property of the public housing agency or public housing project that are designed to promote the self-sufficiency of public housing residents, including activities relating to—

"(1) physical improvements to a public housing project in order to provide space for supportive services for residents;

"(2) the provision of service coordinators;

"(3) the provision of services related to work readiness, including education, job training and counseling, job search skills, business development training and planning, tutoring, mentoring, adult literacy, computer access, personal and family counseling, health screening, work readiness health services, transportation, and child care;

"(4) economic and job development, including employer linkages and job placement, and the start-up of resident microenterprises, community credit unions, and revolving loan funds, including the licensing, bonding, and insurance needed to operate such enterprises;

"(5) resident management activities and resident participation activities; and

"(6) other activities designed to improve the economic self-sufficiency of residents.

"(c) FUNDING DISTRIBUTION.—

"(1) IN GENERAL.—Except for amounts provided under subsection (d), the Secretary may distribute amounts made available under this section on the basis of a competition or a formula, as appropriate.

"(2) FACTORS FOR DISTRIBUTION.—Factors for distribution under paragraph (1) shall include—

"(A) the demonstrated capacity of the applicant to carry out a program of supportive services or resident empowerment activities;

"(B) the ability of the applicant to leverage additional resources for the provision of services; and

"(C) the extent to which the grant will result in a high quality program of supportive services or resident empowerment activities.

"(d) FUNDING FOR RESIDENT COUNCILS.—Of amounts appropriated for activities under this section, not less than $25,000,000 shall be provided directly to resident councils, resident organizations, and resident management corporations.".

SEC. 123. PROHIBITION ON USE OF AMOUNTS.

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:

"SEC. 34. PROHIBITION ON USE OF AMOUNTS.

"None of the amounts made available to the Department of Housing and Urban Development to carry out this Act, that are obligated to State or local governments, public housing agencies, housing finance agencies, or other public or quasi-public housing agencies, may be used to indemnify contractors or subcontractors of the government or agency against costs associated with judgments of infringement of intellectual property rights.".

SEC. 124. PET OWNERSHIP.

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:

"SEC. 35. PET OWNERSHIP IN FEDERALLY ASSISTED RENTAL HOUSING.

"(a) OWNERSHIP CONDITIONS.—

"(1) IN GENERAL.—A resident of a dwelling unit in federally assisted rental housing may own 1 or more common household pets or have 1 or more common household pets present in the dwelling unit of such resident, subject to the reasonable requirements of the owner of the federally assisted rental housing, if the resident maintains each pet responsibly and in accordance with applicable State and local public health, animal control, and animal anti-cruelty laws and regulations.

"(2) REQUIREMENTS.—The reasonable requirements described in paragraph (1) may include requiring payment of a nominal fee, a pet deposit, or both, by residents owning or having pets present, to cover the reasonable operating costs to the project relating to the presence of pets and to establish an escrow account for additional costs not otherwise covered, respectively.

"(b) PROHIBITION AGAINST DISCRIMINATION.—No owner of federally assisted rental housing may restrict or discriminate against any person in connection with admission to, or continued occupancy of, such housing by reason of the ownership of common household pets by, or the presence of such pets in the dwelling unit of, such person.

"(c) DEFINITIONS.—In this section:

"(1) FEDERALLY ASSISTED RENTAL HOUSING.—The term 'federally assisted rental housing' means any public housing project or any rental housing receiving project-based assistance under—

"(A) the new construction and substantial rehabilitation program under section 8(b)(2) of this Act (as in effect before October 1, 1983);

"(B) the property disposition program under section 8(b);

"(C) the moderate rehabilitation program under section 8(e)(2) of this Act (as it existed prior to October 1, 1991);

"(D) section 23 of this Act (as in effect before January 1, 1975);

"(E) the rent supplement program under section 101 of the Housing and Urban Development Act of 1965;

"(F) section 8 of this Act, following conversion from assistance under section 101 of the Housing and Urban Development Act of 1965; or

"(G) loan management assistance under section 8 of this Act.

"(2) OWNER.—The term 'owner' means, with respect to federally assisted rental housing, the entity or private person, including a cooperative or public housing agency, that has the legal right to lease or sublease dwelling units in such housing (including a manager of such housing having such right).

"(d) REGULATIONS.—This section shall take effect upon the date of the effectiveness of regulations issued by the Secretary to carry out this section. Such regulations shall be issued after notice and opportunity for public comment in accordance with the procedure under section 553 of title 5, United States Code, applicable to substantive rules (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section).".

TITLE II—SECTION 8 RENTAL ASSISTANCE

SEC. 201. MERGER OF THE CERTIFICATE AND VOUCHER PROGRAMS.

(a) IN GENERAL.—Section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) is amended to read as follows:

"(o) VOUCHER PROGRAM.—

"(1) PAYMENT STANDARD.—

"(A) IN GENERAL.—The Secretary may provide assistance to public housing agencies for tenant-based assistance using a payment standard established in accordance with subparagraph (B). The payment standard shall be used to determine the monthly assistance that may be paid for any family, as provided in paragraph (2).

"(B) ESTABLISHMENT OF PAYMENT STANDARD.—Except as provided under subparagraph (D), the payment standard shall not exceed 110 percent of the fair market rental established under subsection (c) and shall be not less than 90 percent of that fair market rental.

"(C) SET-ASIDE.—The Secretary may set aside not more than 5 percent of the budget authority available under this subsection as an adjustment pool. The Secretary shall use amounts in the adjustment pool to make adjusted payments to public housing agencies under subparagraph (A), to ensure continued affordability, if the Secretary determines that additional assistance for such purpose is necessary, based on documentation submitted by a public housing agency.

"(D) APPROVAL.—The Secretary may require a public housing agency to submit the payment standard of the public housing agency to the Secretary for approval, if the payment standard is less than 90 percent of the fair market rent or exceeds 110 percent of the fair market rent.

"(E) REVIEW.—The Secretary—

"(i) shall monitor rent burdens and review any payment standard that results in a significant percentage of the families occupying units of any size paying more than 30 percent of adjusted income for rent; and

"(ii) may require a public housing agency to modify the payment standard of the public housing agency based on the results of that review.

"(2) AMOUNT OF MONTHLY ASSISTANCE PAYMENT.—

"(A) FAMILIES RECEIVING TENANT-BASED ASSISTANCE; RENT DOES NOT EXCEED PAYMENT STANDARD.—For a family receiving tenant-based assistance under this title, if the rent for that family (including the amount allowed for tenant-paid utilities) does not exceed the payment standard established under paragraph (1), the monthly assistance payment to that family shall be equal to the amount by which the rent exceeds the greatest of the following amounts, rounded to the nearest dollar:

"(i) Thirty percent of the monthly adjusted income of the family.

"(ii) Ten percent of the monthly income of the family.

"(iii) If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by that agency to meet the housing costs of the family, the portion of those payments that is so designated.

"(B) FAMILIES RECEIVING TENANT-BASED ASSISTANCE; RENT EXCEEDS PAYMENT STANDARD.—For a family receiving tenant-based assistance under this title, if the rent for that family (including the amount allowed for tenant-paid utilities) exceeds the payment standard established under paragraph (1), the monthly assistance payment to that family shall be equal to the amount by which the applicable payment standard exceeds the greatest of the following amounts, rounded to the nearest dollar:

"(i) Thirty percent of the monthly adjusted income of the family.

"(ii) Ten percent of the monthly income of the family.

"(iii) If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by that agency to meet the housing costs of the family, the portion of those payments that is so designated.

"(C) FAMILIES RECEIVING PROJECT-BASED ASSISTANCE.—For a family receiving project-based assistance under this title, the rent that the family is required to pay shall be determined in accordance with section 3(a)(1), and the amount of the housing assistance payment shall be determined in accordance with subsection (c)(3) of this section.

"(3) FORTY PERCENT LIMIT.—At the time a family initially receives tenant-based assistance under this title with respect to any dwelling unit, the total amount that a family may be required to pay for rent may not exceed 40 percent of the monthly adjusted income of the family.

"(4) ELIGIBLE FAMILIES.—At the time a family initially receives assistance under this subsection, a family shall qualify as—

"(A) a very low-income family;

"(B) a family previously assisted under this title;

"(C) a low-income family that meets eligibility criteria specified by the public housing agency;

"(D) a family that qualifies to receive a voucher in connection with a homeownership program approved under title IV of the Cranston-Gonzalez National Affordable Housing Act; or

"(E) a family that qualifies to receive a voucher under section 223 or 226 of the Low-Income Housing Preservation and Resident Homeownership Act of 1990.

"(5) ANNUAL REVIEW OF FAMILY INCOME.—Each public housing agency shall, not less frequently than annually, conduct a review of the family income of each family receiving assistance under this subsection.

"(6) SELECTION OF FAMILIES.—

"(A) IN GENERAL.—Each public housing agency may establish local preferences consistent with the public housing agency plan submitted by the public housing agency under section 5A.

"(B) SELECTION OF TENANTS.—The selection of tenants shall be made by the owner of the dwelling unit, subject to the annual contributions contract between the Secretary and the public housing agency.

"(7) LEASE.—Each housing assistance payment contract entered into by the public housing agency and the owner of a dwelling unit—

"(A) shall provide that the screening and selection of families for those units shall be the function of the owner;

"(B) shall provide that the lease between the tenant and the owner shall be for a term of not less than 1 year, except that the public housing agency may approve a shorter term for an initial lease between the tenant and the dwelling unit owner if the public housing agency determines that such shorter term would improve housing opportunities for the tenant and if such shorter term is considered to be an acceptable local market practice;

"(C) shall provide that the dwelling unit owner shall offer leases to tenants assisted under this subsection that—

"(i) are in a standard form used in the locality by the dwelling unit owner; and

"(ii) contain terms and conditions that—

"(I) are consistent with State and local law; and

"(II) apply generally to tenants in the property who are not assisted under this section;

"(D) shall provide that the dwelling unit owner may not terminate the tenancy of any person assisted under this subsection during the term of a lease that meets the requirements of this section unless the owner determines, on the same basis and in the same manner as would apply to a tenant in the property who does not receive assistance under this subsection, that—

"(i) the tenant has committed a serious or repeated violation of the terms and conditions of the lease;

"(ii) the tenant has violated applicable Federal, State, or local law; or

"(iii) other good cause for termination of the tenancy exists;

"(E) shall provide that any termination of tenancy under this subsection shall be preceded by the provision of written notice by the owner to the tenant specifying the grounds for that action, and any relief shall be consistent with applicable State and local law; and

"(F) may include any addenda appropriate to set forth the provisions of this title.

"(8) INSPECTION OF UNITS BY PUBLIC HOUSING AGENCIES.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), for each dwelling unit for which a housing assistance payment contract is established under this subsection, the public housing agency shall—

"(i) inspect the unit before any assistance payment is made to determine whether the dwelling unit meets housing quality standards for decent safe housing established—

"(I) by the Secretary for purposes of this subsection; or

"(II) by local housing codes or by codes adopted by public housing agencies that—

"(aa) meet or exceed housing quality standards; and

"(bb) do not severely restrict housing choice; and

"(ii) make not less than annual inspections during the contract term.

"(B) LEASING OF UNITS OWNED BY PUBLIC HOUSING AGENCY.—If an eligible family assisted under this subsection leases a dwelling unit (other than public housing) that is owned by a public housing agency administering assistance under this subsection, the Secretary shall require the unit of general local government, or another entity approved by the Secretary, to make inspections and rent determinations as required by this paragraph.

"(9) VACATED UNITS.—If an assisted family vacates a dwelling unit for which rental assistance is provided under a housing assistance contract before the expiration of the term of the lease for the unit, rental assistance pursuant to such contract may not be provided for the unit after the month during which the unit was vacated.

"(10) RENT.—

"(A) REASONABLE MARKET RENT.—The rent for dwelling units for which a housing assistance payment contract is established under this subsection shall be reasonable in comparison with rents charged for comparable dwelling units in the private, unassisted, local market, or for comparable dwelling units that are in the assisted, local market.

"(B) NEGOTIATED RENT.—A public housing agency shall, at the request of a family receiving tenant-based assistance under this subsection, assist that family in negotiating a reasonable rent with a dwelling unit owner. A public housing agency shall review the rent for a unit under consideration by the family (and all rent increases for units under lease by the family) to determine whether the rent (or rent increase) requested by the owner is reasonable. If a public housing agency determines that the rent (or rent increase) for a dwelling unit is not reasonable, the public housing agency shall not make housing assistance payments to the owner under this subsection with respect to that unit.

"(C) UNITS EXEMPT FROM LOCAL RENT CONTROL.—If a dwelling unit for which a housing assistance payment contract is established under this subsection is exempt from local rent control provisions during the term of that contract, the rent for that unit shall be reasonable in comparison with other units in the market area that are exempt from local rent control provisions.

"(D) TIMELY PAYMENTS.—Each public housing agency shall make timely payment of any amounts due to a dwelling unit owner under this subsection. The housing assistance payment contract between the owner and the public housing agency may provide for penalties for the late payment of amounts due under the contract, which shall be imposed on the public housing agency in accordance with generally accepted practices in the local housing market.

"(E) PENALTIES.—Unless otherwise authorized by the Secretary, each public housing agency shall pay any penalties from administrative fees collected by the public housing agency, except that no penalty shall be imposed if the late payment is due to factors that the Secretary determines are beyond the control of the public housing agency.

"(11) MANUFACTURED HOUSING.—

"(A) IN GENERAL.—A public housing agency may make assistance payments in accordance with this subsection on behalf of a family that utilizes a manufactured home as a principal place of residence. Such payments may be made for the rental of the real property on which the manufactured home owned by any such family is located.

"(B) RENT CALCULATION.—

"(i) CHARGES INCLUDED.—For assistance pursuant to this paragraph, the rent for the space on which a manufactured home is located and with respect to which assistance payments are to be made shall include maintenance and management charges and tenant-paid utilities.

"(ii) PAYMENT STANDARD.—The public housing agency shall establish a payment standard for the purpose of determining the monthly assistance that may be paid for any family under this paragraph. The payment standard may not exceed an amount approved or established by the Secretary.

"(iii) MONTHLY ASSISTANCE PAYMENT.—The monthly assistance payment under this paragraph shall be determined in accordance with paragraph (2).

"(12) CONTRACT FOR ASSISTANCE PAYMENTS.—

"(A) IN GENERAL.—If the Secretary enters into an annual contributions contract under this subsection with a public housing agency pursuant to which the public housing agency will enter into a housing assistance payment contract with respect to an existing structure under this subsection—

"(i) the housing assistance payment contract may not be attached to the structure unless the

owner agrees to rehabilitate or newly construct the structure other than with assistance under this Act, and otherwise complies with this section; and

"(ii) the public housing agency may approve a housing assistance payment contract for such existing structure for not more than 15 percent of the funding available for tenant-based assistance administered by the public housing agency under this section.

"(B) EXTENSION OF CONTRACT TERM.—In the case of a housing assistance payment contract that applies to a structure under this paragraph, a public housing agency may enter into a contract with the owner, contingent upon the future availability of appropriated funds for the purpose of renewing expiring contracts for assistance payments, as provided in appropriations Acts, to extend the term of the underlying housing assistance payment contract for such period as the Secretary determines to be appropriate to achieve long-term affordability of the housing. The contract shall obligate the owner to have such extensions of the underlying housing assistance payment contract accepted by the owner and the successors in interest of the owner.

"(C) RENT CALCULATION.—For project-based assistance under this paragraph, housing assistance payment contracts shall establish rents and provide for rent adjustments in accordance with subsection (c).

"(D) ADJUSTED RENTS.—With respect to rents adjusted under this paragraph—

"(i) the adjusted rent for any unit shall be reasonable in comparison with rents charged for comparable dwelling units in the private, unassisted, local market, or for comparable dwelling units that are in the assisted local market; and

"(ii) the provisions of subsection (c)(2)(C) do not apply.

"(13) INAPPLICABILITY TO TENANT-BASED ASSISTANCE.—Subsection (c) does not apply to tenant-based assistance under this subsection.

"(14) HOMEOWNERSHIP OPTION.—

"(A) IN GENERAL.—A public housing agency providing assistance under this subsection may, at the option of the agency, provide assistance for homeownership under subsection (y).

"(B) ALTERNATIVE ADMINISTRATION.—A public housing agency may contract with a nonprofit organization to administer a homeownership program under subsection (y).

"(15) RENTAL VOUCHERS FOR WITNESS RELOCATION.—Of amounts made available for assistance under this subsection in each fiscal year, the Secretary, in consultation with the Inspector General, shall make available such sums as may be necessary for the relocation of witnesses in connection with efforts to combat crime in public and assisted housing pursuant to requests from law enforcement or prosecution agencies.".

(b) CONFORMING AMENDMENT.—Section 8(f)(6) of the United States Housing Act (42 U.S.C. 1437f(f)(6)) is amended by striking "(d)(2)" and inserting "(o)(12)".

SEC. 202. REPEAL OF FEDERAL PREFERENCES.

(a) SECTION 8 EXISTING AND MODERATE REHABILITATION.—Section 8(d)(1)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)(1)(A)) is amended to read as follows:

"(A) the selection of tenants shall be the function of the owner, subject to the annual contributions contract between the Secretary and the agency, except that with respect to the certificate and moderate rehabilitation programs only, for the purpose of selecting families to be assisted, the public housing agency may establish local preferences, consistent with the public housing agency plan submitted by the public housing agency under section 5A;".

(b) SECTION 8 NEW CONSTRUCTION AND SUBSTANTIAL REHABILITATION.—

(1) REPEAL.—Section 545(c) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note) is amended to read as follows:

"(c) [Reserved.]".

(2) PROHIBITION.—The provisions of section 8(e)(2) of the United States Housing Act of 1937, as in existence on the day before October 1, 1983, that require tenant selection preferences shall not apply with respect to—

(A) housing constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of the United States Housing Act of 1937, as in existence on the day before October 1, 1983; or

(B) projects financed under section 202 of the Housing Act of 1959, as in existence on the day before the date of enactment of the Cranston-Gonzalez National Affordable Housing Act.

(c) RENT SUPPLEMENTS.—Section 101(k) of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s(k)) is amended to read as follows:

"(k) [Reserved.]".

(d) CONFORMING AMENDMENTS.—

(1) UNITED STATES HOUSING ACT OF 1937.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(A) in section 6(o), by striking "preference rules specified in" and inserting "written selection criteria established pursuant to";

(B) in section 8(d)(2)(A), by striking the last sentence; and

(C) in section 8(d)(2)(H), by striking "Notwithstanding subsection (d)(1)(A)(i), an" and inserting "An".

(2) CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT.—The Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704 et seq.) is amended—

(A) in section 455(a)(2)(D)(iii), by striking "would qualify for a preference under" and inserting "meet the written selection criteria established pursuant to"; and

(B) in section 522(f)(6)(B), by striking "any preferences for such assistance under section 8(d)(1)(A)(i)" and inserting "the written selection criteria established pursuant to section 8(d)(1)(A)".

(3) LOW-INCOME HOUSING PRESERVATION AND RESIDENT HOMEOWNERSHIP ACT OF 1990.—The second sentence of section 226(b)(6)(B) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4116(b)(6)(B)) is amended by striking "requirement for giving preferences to certain categories of eligible families under" and inserting "written selection criteria established pursuant to".

(4) HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1992.—Section 655 of the Housing and Community Development Act of 1992 (42 U.S.C. 13615) is amended by striking "preferences for occupancy" and all that follows before the period at the end and inserting "selection criteria established by the owner to elderly families according to such written selection criteria, and to near-elderly families according to such written selection criteria, respectively".

(5) REFERENCES IN OTHER LAW.—Any reference in any Federal law other than any provision of any law amended by paragraphs (1) through (5) of this subsection or section 201 to the preferences for assistance under section 8(d)(1)(A)(i) or 8(o)(3)(B) of the United States Housing Act of 1937, as those sections existed on the day before the effective date of this title, shall be considered to refer to the written selection criteria established pursuant to section 8(d)(1)(A) or 8(o)(6)(A), respectively, of the United States Housing Act of 1937, as amended by this subsection and section 201 of this Act.

SEC. 203. PORTABILITY.

Section 8(r) of the United States Housing Act of 1937 (42 U.S.C. 1437f(r)) is amended—

(1) in paragraph (1)—

(A) by striking "assisted under subsection (b) or (o)" and inserting "receiving tenant-based assistance under subsection (o)"; and

(B) by striking "the same State" and all that follows before the semicolon and inserting "any area in which a program is being administered under this section";

(2) in paragraph (2), by striking the last sentence;

(3) in paragraph (3)—

(A) by striking "(b) or"; and

(B) by adding at the end the following: "The Secretary shall establish procedures for the compensation of public housing agencies that issue vouchers to families that move into or out of the jurisdiction of the public housing agency under portability procedures. The Secretary may reserve amounts available for assistance under subsection (o) to compensate those public housing agencies."; and

(4) by adding at the end the following:

"(5) LEASE VIOLATIONS.—A family may not receive a voucher from a public housing agency and move to another jurisdiction under the tenant-based assistance program if the family has moved out of the assisted dwelling unit of the family in violation of a lease.".

SEC. 204. LEASING TO VOUCHER HOLDERS.

Section 8(t) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t)) is amended to read as follows:

"(t) [Reserved.]".

SEC. 205. HOMEOWNERSHIP OPTION.

Section 8(y) of the United States Housing Act of 1937 (42 U.S.C. 1437f(y)) is amended—

(1) in paragraph (1)—

(A) by striking "A family receiving" and all that follows through "if the family" and inserting the following: "A public housing agency providing tenant-based assistance on behalf of an eligible family under this section may provide assistance for an eligible family that purchases a dwelling unit (including a unit under a lease-purchase agreement) that will be owned by 1 or more members of the family, and will be occupied by the family, if the family";

(B) in subparagraph (A), by inserting before the semicolon ", or owns or is acquiring shares in a cooperative"; and

(C) in subparagraph (B), by striking "(i) participates" and all that follows through "(ii) demonstrates" and inserting "demonstrates";

(2) by striking paragraph (2) and inserting the following:

"(2) DETERMINATION OF AMOUNT OF ASSISTANCE.—

"(A) MONTHLY EXPENSES DO NOT EXCEED PAYMENT STANDARD.—If the monthly homeownership expenses, as determined in accordance with requirements established by the Secretary, do not exceed the payment standard, the monthly assistance payment shall be the amount by which the homeownership expenses exceed the highest of the following amounts, rounded to the nearest dollar:

"(i) Thirty percent of the monthly adjusted income of the family.

"(ii) Ten percent of the monthly income of the family.

"(iii) If the family is receiving payments for welfare assistance from a public agency, and a portion of those payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by that agency to meet the housing costs of the family, the portion of those payments that is so designated.

"(B) MONTHLY EXPENSES EXCEED PAYMENT STANDARD.—If the monthly homeownership expenses, as determined in accordance with requirements established by the Secretary, exceed the payment standard, the monthly assistance payment shall be the amount by which the applicable payment standard exceeds the highest of the following amounts, rounded to the nearest dollar:

"(i) Thirty percent of the monthly adjusted income of the family.

"(ii) Ten percent of the monthly income of the family.

"(iii) If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by that agency to meet the housing costs of the family, the portion of those payments that is so designated.";

(4) by striking paragraphs (3) through (5); and

(5) by redesignating paragraphs (6) through (8) as paragraphs (3) through (5), respectively.

SEC. 206. LAW ENFORCEMENT AND SECURITY PERSONNEL IN PUBLIC HOUSING.

Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) is amended by adding at the end the following:

"(cc) LAW ENFORCEMENT AND SECURITY PERSONNEL.—Notwithstanding any other provision of this Act, an owner may admit, and assistance may be provided to, police officers and other security personnel (who are not otherwise eligible for assistance under the Act), in the case of assistance attached to a structure. In addition, the Secretary may permit such special rent requirements to be accompanied by other terms and conditions of occupancy that the Secretary may consider appropriate and may require the owner to submit an application for special rent requirements which shall include such information as the Secretary, in the discretion of the Secretary, determines to be necessary.".

SEC. 207. TECHNICAL AND CONFORMING AMENDMENTS.

(a) LOWER INCOME HOUSING ASSISTANCE.—Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) is amended—

(1) in subsection (a), by striking the second and third sentences;

(2) in subsection (b)—

(A) in the subsection heading, by striking "RENTAL CERTIFICATES AND"; and

(B) in the first undesignated paragraph—

(i) by striking "The Secretary" and inserting the following:

"(1) IN GENERAL.—The Secretary"; and

(ii) by striking the second sentence;

(3) in subsection (c)—

(A) in paragraph (3)—

(i) by striking "(A)"; and

(ii) by striking subparagraph (B);

(B) in the first sentence of paragraph (4), by striking "or by a family that qualifies to receive" and all that follows through "1990";

(C) by striking paragraph (5) and redesignating paragraph (6) as paragraph (5);

(D) by striking paragraph (7) and redesignating paragraphs (8) through (10) as paragraphs (6) through (8), respectively;

(E) effective on October 1, 1997, in paragraph (7), as redesignated, by striking "housing certificates or vouchers under subsection (b) or" and inserting "a voucher under subsection"; and

(F) in paragraph (8), as redesignated, by striking "(9)" and inserting "(7)";

(4) in subsection (d)—

(A) in paragraph (1)(B)(iii), by striking "drug-related criminal activity or or near such premises" and inserting "violent or drug-related criminal activity on or off such premises, or any activity resulting in a felony conviction";

(B) in paragraph (2)—

(i) in subparagraph (A), by striking the third sentence and all that follows through the end of the subparagraph; and

(ii) by striking subparagraphs (B) through (E) and redesignating subparagraphs (F) through (H) as subparagraphs (B) through (D), respectively;

(5) in subsection (f)—

(A) in paragraph (6), by striking "(d)(2)" and inserting "(o)(11)"; and

(B) in paragraph (7)—

(i) by striking "(b) or"; and

(ii) by inserting before the period the following: "and that provides for the eligible family to select suitable housing and to move to other suitable housing";

(6) by striking subsection (j) and inserting the following:

"(j) [Reserved.]";

(7) by striking subsection (n) and inserting the following:

"(n) [Reserved.]";

(8) in subsection (q)—

(A) in the first sentence of paragraph (1), by striking "certificate and housing voucher programs under subsections (b) and (o)" and inserting "voucher program under this section";

(B) in paragraph (2)(A)(i), by striking "certificate and housing voucher programs under subsections (b) and (o)" and inserting "voucher program under this section"; and

(C) in paragraph (2)(B), by striking "certificate and housing voucher programs under subsections (b) and (o)" and inserting "voucher program under this section";

(9) in subsection (u)—

(A) in paragraph (2), by striking ", certificates"; and

(B) by striking "certificates or" each place that term appears; and

(10) in subsection (x)(2), by striking "housing certificate assistance" and inserting "tenant-based assistance".

(b) PUBLIC HOUSING HOMEOWNERSHIP AND MANAGEMENT OPPORTUNITIES.—Section 21(b)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437s(b)(3)) is amended—

(1) in the first sentence, by striking "(at the option of the family) a certificate under section 8(b)(1) or a housing voucher under section 8(o)" and inserting "tenant-based assistance under section 8"; and

(2) by striking the second sentence.

(c) DOCUMENTATION OF EXCESSIVE RENT BURDENS.—Section 550(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note) is amended—

(1) in paragraph (1), by striking "assisted under the certificate and voucher programs established" and inserting "receiving tenant-based assistance";

(2) in the first sentence of paragraph (2)—

(A) by striking ", for each of the certificate program and the voucher program" and inserting "for the tenant-based assistance under section 8"; and

(B) by striking "participating in the program" and inserting "receiving tenant-based assistance"; and

(3) in paragraph (3), by striking "assistance under the certificate or voucher program" and inserting "tenant-based assistance under section 8 of the United States Housing Act of 1937".

(d) GRANTS FOR COMMUNITY RESIDENCES AND SERVICES.—Section 861(b)(1)(D) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12910(b)(1)(D)) is amended by striking "certificates or vouchers" and inserting "assistance".

(e) SECTION 8 CERTIFICATES AND VOUCHERS.—Section 931 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437c note) is amended by striking "assistance under the certificate and voucher programs under sections 8(b) and (o) of such Act" and inserting "tenant-based assistance under section 8 of the United States Housing Act of 1937".

(f) ASSISTANCE FOR DISPLACED RESIDENTS.—Section 223(a) of the Housing and Community Development Act of 1987 (12 U.S.C. 4113(a)) is amended by striking "assistance under the certificate and voucher programs under sections 8(b) and 8(o)" and inserting "tenant-based assistance under section 8".

(g) RURAL HOUSING PRESERVATION GRANTS.—Section 533(a) of the Housing Act of 1949 (42 U.S.C. 1490m(a)) is amended in the second sentence by striking "assistance payments as provided by section 8(o)" and inserting "tenant-based assistance as provided under section 8".

(h) REPEAL OF MOVING TO OPPORTUNITIES FOR FAIR HOUSING DEMONSTRATION.—Section 152 of the Housing and Community Development Act of 1992 (42 U.S.C. 1437f note) is repealed.

(i) PREFERENCES FOR ELDERLY FAMILIES AND PERSONS.—Section 655 of the Housing and Community Development Act of 1992 (42 U.S.C. 13615) is amended by striking "the first sentence of section 8(o)(3)(B)" and inserting "section 8(o)(6)(A)".

(j) ASSISTANCE FOR TROUBLED MULTIFAMILY HOUSING PROJECTS.—Section 201(m)(2)(A) of the Housing and Community Development Amendments of 1978 (12 U.S.C. 1715z–1a(m)(2)(A)) is amended by striking "section 8(b)(1)" and inserting "section 8".

(k) MANAGEMENT AND DISPOSITION OF MULTIFAMILY HOUSING PROJECTS.—Section 203(g)(2) of the Housing and Community Development Amendments of 1978 (12 U.S.C. 1701z–11(g)(2)) is amended by striking "8(o)(3)(B)" and inserting "8(o)(6)(A)".

SEC. 208. IMPLEMENTATION.

In accordance with the negotiated rulemaking procedures set forth in subchapter III of chapter 5 of title 5, United States Code, the Secretary shall issue such regulations as may be necessary to implement the amendments made by this title after notice and opportunity for public comment.

SEC. 209. DEFINITION.

In this title, the term "public housing agency" has the same meaning as section 3 of the United States Housing Act of 1937, except that such term shall also include any other nonprofit entity serving more than 1 local government jurisdiction that was administering the section 8 tenant-based assistance program pursuant to a contract with the Secretary or a public housing agency prior to the date of enactment of this Act.

SEC. 210. EFFECTIVE DATE.

(a) IN GENERAL.—The amendments made by this title shall become effective not later than 1 year after the date of enactment of this Act.

(b) CONVERSION ASSISTANCE.—

(1) IN GENERAL.—The Secretary may provide for the conversion of assistance under the certificate and voucher programs under subsections (b) and (o) of section 8 of the United States Housing Act of 1937, as those sections existed on the day before the effective date of the amendments made by this title, to the voucher program established by the amendments made by this title.

(2) CONTINUED APPLICABILITY.—The Secretary may apply the provisions of the United States Housing Act of 1937, or any other provision of law amended by this title, as those provisions existed on the day before the effective date of the amendments made by this title, to assistance obligated by the Secretary before that effective date for the certificate or voucher program under section 8 of the United States Housing Act of 1937, if the Secretary determines that such action is necessary for simplification of program administration, avoidance of hardship, or other good cause.

SEC. 211. RECAPTURE AND REUSE OF ANNUAL CONTRIBUTION CONTRACT PROJECT RESERVES UNDER THE TENANT-BASED ASSISTANCE PROGRAM.

Section 8(d) of the United States Housing Act of 1937 is amended by adding at the end the following:

"(5) RECAPTURE AND REUSE OF ANNUAL CONTRIBUTION CONTRACT PROJECT RESERVES.—

"(A) RECAPTURE.—To the extent that the Secretary determines that the amount in the annual contribution contract reserve account

under a contract with a public housing agency for tenant-based assistance under this section is in excess of the amount needed by the public housing agency, the Secretary shall recapture such excess amount.

"(B) REUSE.—The Secretary may hold any amounts under this paragraph in reserve until needed to amend or renew an annual contributions contract with any public housing agency.".

TITLE III—SAFETY AND SECURITY IN PUBLIC AND ASSISTED HOUSING

SEC. 301. SCREENING OF APPLICANTS.

(a) INELIGIBILITY BECAUSE OF PAST EVICTIONS.—

(1) IN GENERAL.—Any household or member of a household evicted from federally assisted housing (as that term is defined in section 305(a)) by reason of drug-related criminal activity (as that term is defined in section 305(c)) or for other serious violations of the terms or conditions of the lease shall not be eligible for federally assisted housing—

(A) in the case of eviction by reason of drug-related criminal activity, for a period of not less than 3 years from the date of the eviction unless the evicted member of the household successfully completes a rehabilitation program; and

(B) for other evictions, for a reasonable period of time as determined by the public housing agency or owner of the federally assisted housing, as applicable.

(2) WAIVER.—The requirements of subparagraphs (A) and (B) of paragraph (1) may be waived if the circumstances leading to eviction no longer exist.

(b) INELIGIBILITY OF ILLEGAL DRUG USERS AND ALCOHOL ABUSERS.—Notwithstanding any other provision of law, a public housing agency or an owner of federally assisted housing, or both, as determined by the Secretary, shall establish standards that prohibit admission to the program or admission to federally assisted housing for any household with a member—

(1) who the public housing agency or the owner determines is engaging in the illegal use of a controlled substance; or

(2) with respect to whom the public housing agency or the owner determines that it has reasonable cause to believe that such household member's illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol would interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

(c) CONSIDERATION OF REHABILITATION.—In determining whether, pursuant to subsection (b)(2), to deny admission to the program or to federally assisted housing to any household based on a pattern of illegal use of a controlled substance or a pattern of abuse of alcohol by a household member, a public housing agency or an owner may consider whether such household member—

(1) has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable);

(2) has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable); or

(3) is participating in a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable).

(d) ILLEGAL USE OF CONTROLLED SUBSTANCES OR ABUSE OF ALCOHOL.—

(1) RELEASES.—

(A) IN GENERAL.—A public housing agency may require each person who applies for admission to public housing or for assistance under section 8(o) of the United States Housing Act of 1937 to sign one or more appropriate releases authorizing the public housing agency to obtain written information related solely to the applicant's current illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol, in order to assist a public housing agency in determining an applicant's eligibility for such admission or assistance, including determining whether—

(i) the applicant is or is not illegally using a controlled substance; or

(ii) there is reasonable cause to believe that the applicant's illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol, may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents of the project.

(B) LIMITATION.—For purposes of this paragraph, a public housing agency may only require an applicant to sign a release (or releases) if the public housing agency requires all of its applicants to sign such release or releases.

(2) PROVISION OF INFORMATION.—

(A) IN GENERAL.—Notwithstanding any other provision of law other than this subsection, upon the written request of a public housing agency that meets the requirements of subparagraph (B), a physician, drug or alcohol treatment center, medical center, medical clinic, detoxification center, hospital, drug or alcohol treatment program, the National Crime Information Center, police department, or any other law enforcement agency, shall provide to the public housing agency information described in paragraph (1) with respect to an applicant.

(B) REQUIREMENTS.—For purposes of subparagraph (A) a request by a public housing agency meets the requirements of this subparagraph if it includes a written authorization, signed by such applicant, for the release of information described in paragraph (1) to the public housing agency.

(3) FEE.—A public housing agency may be charged a reasonable fee for information provided under this subsection.

(4) RECORDS MANAGEMENT.—Each public housing agency that receives information under this subsection shall establish and implement a system of records management that ensures that any information received by the public housing agency under this subsection is—

(A) maintained confidentially;

(B) not misused or improperly disseminated; and

(C) destroyed in a timely fashion, once the purpose for which the information was requested has been accomplished.

(5) LIMITATION.—For purposes of this subsection, a public housing agency shall be prohibited from—

(A) requesting any information that does not relate solely to an applicant's current illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol; or

(B) receiving the actual records from which information has been obtained related to the applicant's current illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol.

(6) EFFECTIVE DATE.—This subsection shall take effect upon enactment and without the necessity of guidance from, or regulations issued by, the Secretary.

(e) AUTHORITY TO REQUIRE ACCESS TO CRIMINAL RECORDS.—A public housing agency may require, as a condition of providing admission to the public housing program or assisted housing program under the jurisdiction of the public housing agency, that each adult member of the household provide a signed, written authorization for the public housing agency to obtain records described in section 304 regarding such member of the household from the National Crime Information Center, police departments, and other law enforcement agencies.

SEC. 302. TERMINATION OF TENANCY AND ASSISTANCE.

(a) TERMINATION OF TENANCY AND ASSISTANCE FOR ILLEGAL DRUG USERS AND ALCOHOL ABUSERS.—Notwithstanding any other provision of law, a public housing agency or an owner of federally assisted housing, as applicable, shall establish standards or lease provisions for continued assistance or occupancy in federally assisted housing that allow a public housing agency or the owner, as applicable, to terminate the tenancy or assistance for any household with a member—

(1) who the public housing agency or owner determines is engaging in the illegal use of a controlled substance; or

(2) whose illegal use of a controlled substance, or whose abuse of alcohol, is determined by the public housing agency or owner to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

(b) TERMINATION OF ASSISTANCE FOR SERIOUS OR REPEATED LEASE VIOLATION.—Notwithstanding any other provision of law, the public housing agency must terminate tenant-based assistance for all household members if the household is evicted from assisted housing for serious or repeated violation of the lease.

SEC. 303. LEASE REQUIREMENTS.

In addition to any other applicable lease requirements, each lease for a dwelling unit in federally assisted housing shall provide that, during the term of the lease—

(1) the owner may not terminate the tenancy except for serious or repeated violation of the terms and conditions of the lease, violation of applicable Federal, State, or local law, or other good cause; and

(2) grounds for termination of tenancy shall include any activity, engaged in by the resident, any member of the resident's household, any guest, or any other person under the control of any member of the household, that—

(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other residents or employees of the public housing agency, owner, or other manager of the housing;

(B) threatens the health or safety of, or right to peaceful enjoyment of their residences by, persons residing in the immediate vicinity of the premises; or

(C) is drug-related or violent criminal activity on or off the premises, or any activity resulting in a felony conviction.

SEC. 304. AVAILABILITY OF CRIMINAL RECORDS FOR PUBLIC HOUSING RESIDENT SCREENING AND EVICTION.

(a) IN GENERAL.—

(1) PROVISION OF INFORMATION.—Notwithstanding any other provision of law other than paragraphs (2) and (3), upon the request of a public housing agency, the National Crime Information Center, a police department, and any other law enforcement agency shall provide to the public housing agency information regarding the criminal conviction records of an adult applicant for, or residents of, the public housing program or assisted housing program under the jurisdiction of the public housing agency for purposes of applicant screening, lease enforcement, and eviction, but only if the public housing agency requests such information and presents to such Center, department, or agency a written authorization, signed by such applicant, for the release of such information to such public housing agency.

(2) EXCEPTION.—A law enforcement agency described in paragraph (1) shall provide information under this paragraph relating to any

criminal conviction of a juvenile only to the extent that the release of such information is authorized under the law of the applicable State, tribe, or locality.

(b) OPPORTUNITY TO DISPUTE.—Before an adverse action is taken with regard to assistance for public housing on the basis of a criminal record, the public housing agency shall provide the resident or applicant with a copy of the criminal record and an opportunity to dispute the accuracy and relevance of that record.

(c) FEE.—A public housing agency may be charged a reasonable fee for information provided under subsection (a).

(d) RECORDS MANAGEMENT.—Each public housing agency that receives criminal record information under this section shall establish and implement a system of records management that ensures that any criminal record received by the agency is—

(1) maintained confidentially;

(2) not misused or improperly disseminated; and

(3) destroyed in a timely fashion, once the purpose for which the record was requested has been accomplished.

(e) DEFINITION OF ADULT.—In this section, the term "adult" means a person who is 18 years of age or older, or who has been convicted of a crime as an adult under any Federal, State, or tribal law.

SEC. 305. DEFINITIONS.

In this title:

(1) FEDERALLY ASSISTED HOUSING.—The term "federally assisted housing" means a unit in—

(A) public housing under the United States Housing Act of 1937;

(B) housing assisted under section 8 of the United States Housing Act of 1937 including both tenant-based assistance and project-based assistance;

(C) housing that is assisted under section 202 of the Housing Act of 1959 (as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act);

(D) housing that is assisted under section 202 of the Housing Act of 1959 (as in existence immediately before the date of enactment of the Cranston-Gonzalez National Affordable Housing Act); and

(E) housing that is assisted under section 811 of the Cranston-Gonzalez National Affordable Housing Act.

(2) DRUG-RELATED CRIMINAL ACTIVITY.—The term "drug-related criminal activity" means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

(3) OWNER.—The term "owner" means, with respect to federally assisted housing, the entity or private person, including a cooperative or public housing agency, that has the legal right to lease or sublease dwelling units in such housing.

SEC. 306. CONFORMING AMENDMENTS.

Section 6 of the United States Housing Act of 1937 (42 U.S.C. 1437d) is amended—

(1) in subsection (l) (as amended by section 107(f) of this Act)—

(A) by striking paragraphs (4) and (5);

(B) by striking the last sentence; and

(C) by redesignating paragraphs (6) through (8) as paragraphs (4) through (6), respectively;

(2) by striking subsections (q) and (r); and

(3) by redesignating subsection (s) (as added by section 109 of this Act) as subsection (q).

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. PUBLIC HOUSING FLEXIBILITY IN THE CHAS.

Section 105(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705(b)) is amended—

(1) by redesignating the second paragraph designated as paragraph (17) (as added by section 681(2) of the Housing and Community Development Act of 1992) as paragraph (20);

(2) by redesignating paragraph (17) (as added by section 220(b)(3) of the Housing and Community Development Act of 1992) as paragraph (19);

(3) by redesignating the second paragraph designated as paragraph (16) (as added by section 220(c)(1) of the Housing and Community Development Act of 1992) as paragraph (18);

(4) in paragraph (16)—

(A) by striking the period at the end and inserting a semicolon; and

(B) by striking "(16)" and inserting "(17)";

(5) by redesignating paragraphs (11) through (15) as paragraphs (12) through (16), respectively; and

(6) by inserting after paragraph (10) the following:

"(11) describe the manner in which the plan of the jurisdiction will help address the needs of public housing and is consistent with the local public housing agency plan under section 5A of the United States Housing Act of 1937;".

SEC. 402. DETERMINATION OF INCOME LIMITS.

(a) IN GENERAL.—Section 3(b)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(2)) is amended—

(1) in the fourth sentence—

(A) by striking "County," and inserting "and Rockland Counties"; and

(B) by inserting "each" before "such county"; and

(2) in the fifth sentence, by striking "County" each place that term appears and inserting "and Rockland Counties".

(b) REGULATIONS.—Not later than 90 days after the date of enactment of this Act, the Secretary shall issue regulations implementing the amendments made by subsection (a).

SEC. 403. DEMOLITION OF PUBLIC HOUSING.

Notwithstanding any other provision of law, beginning on the date of enactment of this Act, the public housing projects described in section 415 of the Department of Housing and Urban Development—Independent Agencies Appropriations Act, 1988 (as in existence on April 25, 1996) shall be eligible for demolition under—

(1) section 9 of the United States Housing Act of 1937, as amended by this Act; and

(2) section 14 of the United States Housing Act of 1937, as that section existed on the day before the date of enactment of this Act.

SEC. 404. TECHNICAL CORRECTION OF PUBLIC HOUSING AGENCY OPT-OUT AUTHORITY.

Section 214(h)(2)(A) of the Housing and Community Development Act of 1980 (42 U.S.C. 1436(h)(2)(A)) is amended by striking "this section" and inserting "paragraph (1) of this subsection".

SEC. 405. REVIEW OF DRUG ELIMINATION PROGRAM CONTRACTS.

(a) REQUIREMENT.—The Secretary shall investigate all security contracts awarded by grantees under the Public and Assisted Housing Drug Elimination Act of 1990 (42 U.S.C. 11901 et seq.) that are public housing agencies that own or operate more than 4,500 public housing dwelling units—

(1) to determine whether the contractors under such contracts have complied with all laws and regulations regarding prohibition of discrimination in hiring practices;

(2) to determine whether such contracts were awarded in accordance with the applicable laws and regulations regarding the award of such contracts;

(3) to determine how many such contracts were awarded under emergency contracting procedures;

(4) to evaluate the effectiveness of the contracts; and

(5) to provide a full accounting of all expenses under the contracts.

(b) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall complete the investigation required under subsection (a) and submit a report to Congress regarding the findings under the investigation. With respect to each such contract, the report shall—

(1) state whether the contract was made and is operating, or was not made or is not operating, in full compliance with applicable laws and regulations; and

(2) for each contract that the Secretary determines is in such compliance issue a personal certification of such compliance by the Secretary.

(c) ACTIONS.—For each contract that is described in the report under subsection (b) as not made or not operating in full compliance with applicable laws and regulations, the Secretary shall promptly take any actions available under law or regulation that are necessary—

(1) to bring such contract into compliance; or

(2) to terminate the contract.

(d) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act.

SEC. 406. SENSE OF CONGRESS.

It is the sense of Congress that, each public housing agency involved in the selection of residents under the United States Housing Act of 1937 (including section 8 of that Act) should, consistent with the public housing agency plan of the public housing agency, consider preferences for individuals who are victims of domestic violence.

SEC. 407. OTHER REPEALS.

The following provisions of law are repealed:

(1) REPORT REGARDING FAIR HOUSING OBJECTIVES.—Section 153 of the Housing and Community Development Act of 1992 (42 U.S.C. 1437f note).

(2) SPECIAL PROJECTS FOR ELDERLY OR HANDICAPPED FAMILIES.—Section 209 of the Housing and Community Development Act of 1974 (42 U.S.C. 1438).

(3) MISCELLANEOUS PROVISIONS.—Subsections (b)(1), (c), and (d) of section 326 of the Housing and Community Development Amendments of 1981 (Public Law 97–35, 95 Stat. 406; 42 U.S.C. 1437f note).

(4) PUBLIC HOUSING CHILDHOOD DEVELOPMENT.—Section 222 of the Housing and Urban-Rural Recovery Act of 1983 (12 U.S.C. 1701z–6 note).

(5) INDIAN HOUSING CHILDHOOD DEVELOPMENT.—Section 518 of the Cranston-Gonzalez National Affordable Housing Act (12 U.S.C. 1701z–6 note).

(6) PUBLIC HOUSING ONE-STOP PERINATAL SERVICES DEMONSTRATION.—Section 521 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437t note).

(7) PUBLIC HOUSING MINCS DEMONSTRATION.—Section 522 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note).

(8) PUBLIC HOUSING ENERGY EFFICIENCY DEMONSTRATION.—Section 523 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437g note).

(9) PUBLIC AND ASSISTED HOUSING YOUTH SPORTS PROGRAMS.—Section 520 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 11903a).

Mr. MACK. Mr. President, I am pleased to bring to the floor S. 462, the Public Housing Reform and Responsibility Act of 1997. This bill is similar to public and assisted housing reform legislation, S. 1260, that was introduced in the 104th Congress and passed unanimously by this body.

The Public Housing Reform and Responsibility Act of 1997 addresses a

public housing system fraught with counterproductive rules and regulations that make it impossible for even the best run public housing authorities [PHA's] to operate effectively and efficiently. It will help to make public housing a platform from which residents can achieve the goal of economic independence and self-sufficiency. In addition, it promotes increased residential choice and mobility by increasing opportunities for residents to use tenant-based assistance.

The following reforms contained in the Public Housing Reform and Responsibility Act represent significant improvements in current public and assisted housing policies.

First, the bill consolidates a multitude of programs into two flexible block grants to expand the eligible uses of funds and allow more creative and efficient use of resources. The bill also repeals a number of current programs that are obsolete, unused, or unfunded.

Second, it institutes permanent rent reforms such as ceiling rents, earned income adjustments, and minimum rents that provide PHA's with the tools to develop rental policies that encourage and reward work and further the goal of creating mixed-income communities. The bill also removes the floor on rents that may be charged under the Brooke amendment, while assuring that poor families will not pay more than 30 percent of their income for rent.

Third, S. 462 requires tough, swift action against PHA's with severe management deficiencies and provides HUD or court-appointed receivers with the necessary tools and powers to deal with troubled agencies and protect public housing residents.

Fourth, it requires intervention with respect to severely distressed public housing developments that trap residents in deplorable living conditions and are costly to operate or maintain. It provides residents with alternative housing using vouchers or other available housing.

Fifth, the bill permanently repeals the one-for-one replacement requirement and streamlines the demolition and disposition process to permit PHA's to demolish or sell vacant or obsolete public housing.

Sixth, it gives PHA's broad flexibility to develop or participate with other providers of affordable housing in the development of mixed-income, mixed finance developments.

Seventh, it repeals Federal preferences that have had the unintended consequence of concentrating the poorest of the poor in public housing developments and allows PHA's to operate according to locally established preferences consistent with local housing needs. The bill still maintains the requirement that most housing assistance be targeted to very low-income households.

Eighth, the Public Housing Reform and Responsibility Act calls on PHA's to increase coordination with State and local welfare agencies to ensure that welfare recipients living in public housing will have the full opportunity to move from welfare to work.

Ninth, the bill provides residents with an active voice in developing the local PHA plans that will govern the operations and management of housing and for direct participation on housing authority boards of directors. It also authorizes funds for resident organizations to develop resident management and empowerment activities.

Finally, S. 462 merges the section 8 voucher and certificate programs into a single, choice-based program designed to operate more effectively in the private marketplace. It repeals requirements that are administratively burdensome to landlords, such as "take-one, take-all," endless lease and 90-day termination notice requirements. These reforms will make participation in the section 8 tenant-based program more attractive to private landlords and increase housing choices for lower income families.

The reforms contained in this legislation will significantly improve the Nation's public housing and tenant-based rental assistance program and the lives of those who reside in federally assisted housing. The funding flexibility, substantial deregulation of the day-to-day operations and policies of public authorities, encouragement of mixed-finance developments, policies to deal with distressed and troubled public housing, and rent reforms will change the face of public housing for PHA's, residents, and local communities.

Reform of the public housing system has been and remains a bipartisan effort in the Senate. I want to thank the chairman of the Banking Committee, Senator D'AMATO for his strong and steadfast support of public housing reform. Further, I appreciate the commitment of the ranking member of the Committee, Senator SARBANES, and the ranking member of the Housing Subcommittee, Senator KERRY, to the reform effort.

S. 462 represents the input of many members of this body as well as the administration. Since the unanimous approval of this legislation by the Banking Committee on May 8, we have worked to make a number of needed technical changes to the bill. In addition, the managers amendment to the bill reflects a number of policy changes that have bipartisan support.

First, the amendment revises the income targeting provisions for public and section 8 tenant-based housing contained in the committee-passed bill. Most important, the amendment would increase the percentage of section 8 tenant based assistance that would be targeted to families with very low incomes.

Second, the managers amendment modifies an amendment initially approved by the Banking Committee, which permits housing authorities to require applicants for public housing to sign a release for information concerning the applicant's illegal drug use. I appreciate the willingness of the sponsor of the amendment, Senator GRAMS, to work with Senators LEAHY, KENNEDY, KERRY, and JEFFORDS to address their concerns about the confidentiality of medical records and potential conflicts with other statutes.

As reflected in the managers amendment, the Grams amendment will not supersede the Public Health Service Act, and is not intended to abrogate or otherwise limit any provision of the Public Health Service Act, or the regulations issued pursuant to the Public Health Service Act. Any action pursuant to this provision must be taken in conformance with the Public Health Service Act.

Finally, the bill contains an amendment proposed by Senator GRAMM, along with Senator D'AMATO, to prohibit the admission of sexually violent predators into public and assisted housing and provide housing authorities access to records on past convictions. One of the important purposes of S. 462 is to incorporate measures which reduce crime and increase the safety and security of residents of public and assisted housing. This amendment is an important and useful contribution to meeting the goals of the legislation.

I urge the passage of S. 462, so that we can begin the process of reconciling our differences with the House-passed version of public housing reform.

Mr. KERRY. Mr. President, I rise in support of S. 462 and urge all my colleagues to support this public housing reform legislation.

I want to thank Senator MACK, chairman of the Housing Subcommittee and his excellent staff for their great work on this legislation. Senator MACK has proved to be a tireless partner in trying to put together a consensus piece of legislation. I also want to thank Senator SARBANES for his active participation in drafting the current compromise language.

Finally, I want to congratulate Senator D'AMATO for shepherding this important piece of housing legislation through the Senate for the second year in a row. He has taken an active interest in this and other housing legislation which helps to put our Nation's housing policy on a more sound and fiscally responsible foundation.

This is an important piece of legislation. It contains many of the key ingredients needed to bring the public housing program back to health. It includes many important management reforms requested by Secretary Cuomo that will make HUD a more efficient and responsive organization, a direction in which we can all agree the Department must move.

The bill gives local public housing authorities both new powers and new flexibility to define and meet local housing needs. At the same time, it makes the consequences for failing to meet those needs more certain and more severe.

This bill eliminates many of the provisions of current law that numerous critics have pointed to as causes for the decline of public housing, provisions such as Federal preferences and one for one replacement. While well-meaning, these laws have had the unintended consequence of contributing to an image—and in some cases the reality—of public housing projects as islands of desperate poverty, ridden by crime and joblessness.

By repealing these laws, the Senate bill gives local housing officials much more independence. They will have to identify the housing needs in their communities and address them in a more effective way that avoids the pitfalls of the past. This is a significant new responsibility. Many housing authorities have already proven to be extremely creative and innovative. For those, this bill will prove to be a huge benefit to the residents, the PHA's, and their communities as a whole.

As part of this bargain, we now require housing authorities to devote a greater number of the rental assistance vouchers to serve extremely low income families. This is an important improvement that has been made in the legislation since the committee approved it, and I thank Chairman MACK for his cooperation in achieving this goal.

We have also expanded and improved the opportunities for residents to be informed about and participate in the public housing planning process. Residents will be able to take a more active role in the provision of services to other public housing residents. I strongly support these initiatives.

Other PHA's will have a more difficult time with the transition to greater independence. HUD will have to continue to have a significant oversight role in these areas. But as HUD's staff and authority diminish, I look to the residents of public housing to exercise their voices and participate enthusiastically and aggressively in the PHA's plans and activities, along the lines established by this bill. In the long run, it is the residents who will be the best watchdogs. We must make sure they are adequately empowered to exercise this function effectively.

In the long run, Mr. President, I hope this bill, when enacted into law, will make public housing the kind of showcase to which we can proudly point to in seeking the additional resources we need to really start addressing the affordable housing crisis affecting so many of our States, from my own State of Massachusetts, to New York, California, Utah, and elsewhere. That will be the measure of success I will use in the years to come.

Mr. D'AMATO. Mr. President, I rise today in strong support of the Public Housing Reform and Responsibility Act of 1997 (S. 462). With the passage of this important legislation, the Senate today renews its commitment to ensuring that every American family has a decent, safe and affordable home. The bill builds upon and improves those aspects of the Nation's public and assisted housing programs which are working well and takes dramatic and vital steps to eliminate areas of failure in the system.

This legislation recognizes that the vast majority of public housing is well-managed and provides over 1 million American families, elderly and disabled with decent, safe and affordable housing. However, housing and social policy concerns, as well as Federal budget constraints, dictate the need for reform. The reform measures contained in S. 462 will reduce the costs of public and assisted housing to the Federal Government by streamlining regulations, facilitating the formation of local partnerships and leveraging additional State, local, and private resources to improve the quality of the existing stock. These changes will help ensure that Federal funds can be used more efficiently in order to serve additional families through the creation of mixed income communities.

This legislation represents the culmination of over 2 years of a bipartisan, consensus-building effort to enhance and revitalize affordable housing throughout the Nation. This fruitful effort has been led by Senator CONNIE MACK, chairman of the Subcommittee on Housing and Community Opportunity, whom I salute for his determination and commitment to an informed and reasoned approach in confronting issues of enormous complexity. Senator MACK has sought input from the administration, resident groups, public housing authorities, low-income housing advocates, nonprofit organizations and state and local officials who are responsible for implementing the Federal requirements established by Congress.

Mr. President, this legislation makes several critical improvements to the Nation's public and assisted housing system. It will protect our residents by maintaining the Brooke amendment, which caps rents at 30-percent of a tenant's income, and mandating tenant participation. It will institute reasonable rent requirements to encourage welfare recipients who currently receive housing subsidies to move to work. It will expand homeownership opportunities for low and moderate income families. The bill will speed the demolition of distressed housing projects through the repeal of the one-for-one replacement requirement. Also, the section 8 tenant-based voucher and certificate programs will be combined into a single, streamlined voucher system. The needless confusion which results from the differing rules and regulations of these two separate programs will be eliminated in order to increase the participation of private landlords in a unified, simplified system

This legislation recognizes that every American deserves to live in a safe and secure community. To achieve that goal, a number of important provisions have been added to the legislation at my request. The legislation will allow HUD to waive rent and income requirements to permit police officers a lower rent as an inducement to living in public and assisted housing. Loopholes in the current law which allow drug dealers and violent criminals to escape eviction if they commit their crimes off the premises of the public housing authority will be eliminated. In addition, public housing authorities will be judged and rated based on the effectiveness of their anticrime policies, and their coordination with local law enforcement and tenant organizations in developing and implementing anticrime strategies.

I would like to highlight one important anticrime provision which has recently been added to the legislation. This provision would mandate the exclusion of child molesters and sexually violent predators from receiving Federal housing assistance. In addition, local public housing agencies would be granted access to the Federal Bureau of Investigation's [FBI] national database on sexually violent offenders. This improved records access provision is critical to ensuring that these offenders are properly screened out. I would like to thank my colleague Senator GRAMM for joining with me in ensuring that the families and children who live in public housing are protected from convicted sex offenders. Senator GRAMM's leadership as the sponsor of the Pam Lychner Sexual Offender Tracking and Identification Act of 1996 (Public Law 104–236), which established the FBI database, and his diligence in bringing this issue to the attention of the committee are to be commended

Mr. President, the reform provisions contained in this bill will greatly improve the quality of life of the families residing in public and assisted housing and will help to ensure the long-term viability of our Nation's existing stock of affordable housing. I thank my colleagues on the Senate Banking Committee for their hard work and spirit of bipartisan compromise which they have shown throughout the process. I respectfully urge this legislation's speedy passage.

Mr. SARBANES. Mr. President, I rise in support of S. 462, the Public Housing Reform and Responsibility Act of 1997.

This bill is the culmination of months of hard work and careful consideration. It represents the collective

wisdom of housing authority directors, public housing residents and resident organizations, local elected officials, and experts at HUD. As a result of this open, inclusive, and bipartisan process, this bill represents widespread agreement among stakeholders.

I want to take a moment to extend my special thanks to Senator MACK for his hard work over the past 3 years to get us to this point. Senator MACK has worked tirelessly to listen to every argument, to entertain every question, and to consider every opinion as we moved this bill from introduction through the committee and now to the floor. He has proven to be responsive to serious concerns and has shown the willingness and ability to build coalitions in the interest of getting legislation passed. I greatly appreciate his willingness to work with me and my colleagues to produce this important piece of legislation.

Likewise, I want to thank Senator KERRY, the ranking member of the Housing Subcommittee. Senator KERRY has long been one of the chief advocates for public and assisted housing in the Congress of the United States. This public housing bill, particularly in its efforts to target assistance to those most in need, reflects Senator KERRY's indelible stamp.

Finally, I greatly appreciate the skill with which Senator D'AMATO has managed this bill and other important legislation, such as the mark-to-market proposal. He has been an important partner in the success we are achieving here tonight.

Mr. President, public housing is the program everyone loves to hate. It is easy to understand why; bad high-rise public housing projects are easy targets for the press. These projects are magnets for crime and drugs. They stick out like sore thumbs and ruin whole neighborhoods.

But the fact is that most public housing is good housing. In fact, in most communities around the country, public housing cannot be distinguished from the private housing stock that surrounds it. Most people don't even know when public housing is in their neighborhoods.

Many of the provisions of S. 462 will help make the public housing program a more effective program. It will give local housing authorities greater autonomy, and greater responsibility, to meet the housing needs in their communities. It will provide for a broader, more economically diverse mix in public housing, which experts universally agree is necessary to create healthier communities. The bill includes important provisions to encourage public housing residents to go to work by delaying any rent increases that would otherwise accompany income gains.

The bill will expedite the demolition of bad public housing, which has been a point of emphasis for both Secretary Cuomo and former Secretary Cisneros. It will enable HUD to set aside bad public housing management more quickly and replace it with the type of professionals that can turn these agencies around. Many of the reforms in this bill will result in spending taxpayers dollars more efficiently and effectively, and in residents benefiting from imported conditions.

Again, I want to thank my colleagues for their cooperation, and I look forward to continuing to move forward to conference in a bipartisan spirit. I urge my colleagues to adopt this legislation.

Mr. ALLARD. Mr. President, I believe the public housing bill is sound legislation and would like to extend my appreciation to the chairman and the subcommittee staff for all of their hard work.

I would especially like to thank the chairman for working with me to include two provisions in the public housing bill. One measure would make vouchers available for Public Housing residents who are victims of crime. This provision would give them the chance to live in better surroundings. Also included in the bill is a Housing Cost Commission to determine the full cost to the Federal Government of each of the housing programs administered by HUD. The data from this Commission will be available for Congress as it works to improve the efficiency and quality of federally assisted housing programs.

I appreciate being able to work together for the goal of improving our public housing system and ensuring that these programs provide necessary assistance to low income individuals while giving them an opportunity to help themselves.

Mr. GRAMS. Mr. President, today, I rise in support of S. 462, the Public Housing Reform and Responsibility Act. This bill is compassionate legislation that provides much-needed regulatory relief and commonsense reform for public housing in America. I am proud to be an original cosponsor of S. 462. It makes permanent the reform measures that have been added onto recent appropriations bills. It provides much needed additional regulatory relief and paperwork reduction to well-managed public housing agencies. It imposes tougher penalties on troubled housing authorities. And finally, it strengthens the ability of authorities to improve the safety of their tenants by enhancing their powers of screening and eviction.

S. 462 makes permanent various reform measures that have been approved in appropriations bills during the last 3 years. It permanently repeals Federal preferences that have had the unintended consequence of concentrating the poorest of the poor in public housing developments and allows housing authorities to operate according to locally established preferences consistent with local housing needs. The bill still maintains the requirement that most housing assistance be targeted to very low-income households. S. 462 also repeals the one-for-one replacement requirement and streamlines the demolition and disposition process to permit housing authorities to demolish or sell vacant or obsolete public housing.

S. 462 also provides much needed additional regulatory relief and paperwork reduction to public housing agencies. The bill significantly reduces the complexity that public housing authorities have in receiving funding. S. 462 consolidates a multitude of programs into two flexible block grants to expand the eligible uses of funds and allow a public housing agency to more efficiently and creatively use its available resources.

The bill also repeals the highly burdensome requirements of the Family Self Sufficiency Program, which was passed in 1990 as part of the National Affordable Housing Act. Congress now recognizes that, while well-intentioned, FSS was an unfunded mandate that placed enormous administrative burden on public housing agencies. I believe that public housing agencies should be permitted to direct all of their energies to provide safe and affordable housing to low-income families, senior citizens, and the disabled. Public housing agencies should not have to drain their scarce resources to do the work better suited to county social service agencies.

More importantly, however, the FSS mandate has been made unnecessary by the enactment last year of the landmark welfare reform bill. Because there will be 50 locally determined welfare reform laws, these laws are the more appropriate vehicle for moving public housing families from welfare to work.

While providing much needed regulatory relief to well-managed public housing agencies, S. 462 also imposes tough, new penalties for troubled authorities. I am very supportive of swift and strong action to correct the management deficiencies of troubled housing authorities. While less than 5 percent of the 3,400 housing authorities in this country are troubled, their poor condition and lack of safety tend to dominate the news. I believe that, working together, we must act decisively to improve their condition.

S. 462 also contains three provisions that I personally authored. The first provision relates to the Congregate Housing Services Program, which was authorized by the Housing and Community Development Amendments Act of 1978 to provide 3- to 5-year contracts to fund services for eligible residents of public housing authorities. CHSP provides for ailing seniors, who normally would be institutionalized in nursing homes, to remain housed in less expensive elderly-only projects that provide

them with at least one hot meal a day, a social worker to monitor their health and medication, and housekeeping services.

CHSP is good program because it provides ailing low-income seniors with the dignity of having their own apartment at a cost that has been estimated to be 66 percent lower than the costs of institutionalizing them in nursing homes.

As I strongly support CHSP, I have had language added into S. 462 to guarantee the continuation of funding for this important program.

I have included two other provisions into S. 462 that are designed to enhance tenant safety. My first provision strengthens the eviction powers of public housing authorities by permitting them to quickly terminate the leases of tenants that are found by a legal police search to have illegal drugs in their possession.

My second tenant safety provision—now commonly known as the Grams amendment—has been the subject of high amount of controversy. As you know, current law permits public housing authorities to reject applicants who have a record of violent criminal activity, who are abusing illegal drugs, or who are abusing alcohol in a way that could adversely affect the safety and peaceful enjoyment of other tenants. Public housing authorities have responded to this legislation by checking on their applicants' criminal records, prior tenancy records and—in a few cases—information from the records of drug abuse treatment facilities. Public housing authorities that have instituted this screening have reported back to me that they have been able to significantly reduce illegal drug use and crime in their projects.

Several months ago, several of Minnesota's public housing authorities requested that I get an amendment into the public housing reform bill that would clarify their right to get information about illegal drug use from the records of drug abuse treatment facilities. Their request was prompted by a lawsuit being filed against the Minneapolis Public Housing Authority by people that are opposed to their screening for illegal drugs.

I agreed to do the amendment, because I have previously toured public housing projects throughout Minnesota and have had touching conversations with Minnesotans who were fearful about the affects of illegal drugs on their own safety and the future of their children. I am also concerned that the money that public housing authorities have been spending to defend themselves against frivolous lawsuits regarding their screening programs could be better spent on providing housing to America's most needy families.

After I added in safeguards to protect applicants' privacy and confidentiality rights, my amendment was unanimously accepted by the Democrats and the Republicans on the Senate Banking committee, and it was part of the public housing reform bill that the Committee unanimously voted to report out on May 8. At the time, no one on the committee considered my amendment to be controversial.

After we completed committee action on the bill, I heard from quite a few organizations that were concerned that the language of the legislation preempted the medical record confidentiality protections of the Public Health Service Act. Furthermore, there was concern that the type of information that the amendment would permit a public housing authority to review would conflict with the Americans With Disabilities Act, the Fair Housing Act, and the Rehabilitation Act. I took these concerns very seriously because I am a strong supporter of laws that protect medical confidentiality and protect people with disabilities from discrimination.

Over August recess, my staff had meetings with HUD, the DOJ, HHS, and Housing Subcommittee staff to address the concerns regarding the amendment. On September 11, I submitted to the committee a scaled-down version of the Amendment that does not preempt the Public Health Service Act and does not conflict with ADA, Fair Housing, or the Rehab Act. I am happy that this version of my amendment has been retained in the bill.

In conclusion, I am very pleased that the Senate will be reporting out this long overdue piece of legislation today. I commend Senator MACK for sponsoring this moderate and balanced piece of legislation and for carefully shepherding it through the Senate.

Mr. GRAMM. Mr. President, I wish to thank the distinguished chairman of the Committee on Banking, Housing, and Urban Affairs, Senator D'AMATO, as well as Senator MACK, the chairman of the Housing Opportunity Subcommittee and the ranking members for including in the manager's amendment the text of several proposals that I drafted and which I believe will strengthen the legislation.

The first of these is an amendment which will ban violent sexual predators from eligibility for, and thus admission to, public housing facilities. The second initiative allows public housing authorities access to State records concerning sex offender convictions. Both of these provisions were approved by the House in its version of the legislation.

In a letter endorsing the effort to rid our public housing of these violent predators, the National Center for Missing and Exploited Children said that "* * * each and every American, regardless of socio-economic class, has the right to a safe and secure neighborhood."

Mr. President, I do not believe that there is a constitutional right to have access to public housing. If there is a right involved here, it is the right of people to know that the person living next door to them and their children is not a convicted sex offender. Adoption of these amendments will insure a safer environment for the adults and children who reside in public housing.

I urge adoption of the amendments.

Mr. FAIRCLOTH. Mr. President, as many of my colleagues are aware, I introduced a bill earlier this session, along with Senator KYL and numerous other Senators, on occupancy standards. The State Housing Protection Act transfers authority to set occupancy standards from the Department of Housing and Urban Development to the States. Occupancy standards was an issue in last year's conference of the public housing bill. I rise today to urge the members of the Senate Committee on Banking, Housing, and Urban Affairs to address occupancy standards again this year when the public housing reform bill goes to conference.

The State Housing Protection Act does not address privately owned dwellings, only rental dwellings. Under the Fair Housing Act, private property owners are permitted to set occupancy standards that limit the number of persons who may rent an apartment dwelling, if the standards are reasonable. At present, there is no clear guidance in this area, and there is controversy over what is a reasonable standard.

Following passage of the Fair Housing Act in 1988, some activists brought lawsuits against housing providers, charging that two persons per bedroom standards discriminated against families. Housing providers persuasively argued to HUD that consistently applied two persons per bedroom standards do not discriminate against families. So, in order to give housing providers a safe harbor from inappropriate legal challenges, in 1991, HUD issued guidance which indicated that two persons per bedroom would be presumed to be a generally reasonable standard by HUD, and housing providers would generally not be sued by HUD for discrimination if they used that standard.

Housing providers, of course, were not precluded in the guidance from exceeding that standard. Private housing providers adjusted to that guidance and relied on it when adopting occupancy policies for their rental units. HUD's own handbooks for public and assisted housing also established that standard. HUD itself adhered more strictly to that guidance until the Clinton administration arrived.

In 1995, HUD issued and then quickly retracted a new guidance that would have required housing providers to allow as many as 8 to 10 people in a two bedroom apartment and 12 to 15 in a three bedroom apartment—if the housing providers didn't want to be sued for discrimination by HUD. HUD realized that the 1995 guidance was unworkable

and put back in place the 1991 two person per bedroom guidance. However, there have been a number of court decisions overturning HUD's actions in this area. So there is still a void and no clarity as to how it is being interpreted by HUD or whether it will be changed again by HUD in line with the 1995 attempt.

Housing providers need certainty in their establishment of such fundamental business judgments as occupancy standards. Nobody likes to be sued for discrimination, but you especially don't like when you don't know the rules that are being used by the Government. Republicans and Democrats on the Senate Banking Committee have acknowledged the need for clarity and have promised to work with me in conference on this issue.

Mr. KYL. Mr. President, I rise to encourage the members of the Senate Committee on Banking, Housing, and Urban Development to address the issue of occupancy standards when the public housing reform bill goes to conference committee. Earlier this year, Senator FAIRCLOTH and I introduced the State Housing Protection Act which transfers from HUD to the States, the authority to set occupancy standards. Yet, the committee did not address the matter when it considered its public housing reform bill.

Mr. President, Senator FAIRCLOTH and I have worked on this issue for 2 years. In the 104th Congress, Senator FAIRCLOTH and I blocked HUD from imposing national occupancy standards until it completed an official rule. Soon thereafter, we introduced a bill with Representative MCCOLLUM which prohibited HUD from setting a national occupancy standard. The House included that bill in its 1996 public housing reform bill, but it died in conference committee late last year.

In May of this year, the House passed its public housing reform bill which included a section that prohibits the Secretary of HUD from establishing a national occupancy standard. Senator FAIRCLOTH and I have tried to change the current policy on occupancy standards because we believe that HUD generally has pursued an occupancy standard policy that encourages overcrowding, thereby depreciating housing stock that is scarce to begin with. We believe that HUD is poorly serving lower-income families and defeating its own purpose. Again, I encourage the members of the conference committee to seriously consider restricting HUD's ability to set a national occupancy standard.

Mr. LUGAR. Mr. President, I would like to thank the floor managers for agreeing to include the city of Indianapolis flexible grant demonstration amendment in the manager's amendment to S. 462.

The Lugar amendment would authorize the city of Indianapolis, in coordination with its public housing authority, to receive and combine program allocations from Federal housing assistance funds so that it has the flexibility to determine the best use of these funds. This amendment has the support both of Mayor Goldsmith and of the Indianapolis Housing Authority.

My flexible grant demonstration amendment would give the city of Indianapolis, in coordination with the Indianapolis Housing Authority, the ability to receive and combine covered housing assistance to which the Indianapolis Housing Authority would otherwise be entitled. Covered housing assistance is defined as operating assistance, modernization assistance, section 8 certificate and voucher programs assistance, capital and operating funds assistance, and tenant-based rental assistance. It does not include other housing assistance programs for which the city or its public housing authority would otherwise be able to compete.

This demonstration program would last for 2 to 5 years and would serve a variety of purposes. It could be used to provide incentives for low-income working families to become economically self-sufficient, to reduce costs of housing assistance by providing funds in the most effective manner, to increase the stock of affordable low-income housing and housing choices for low-income families, to increase home ownership among low-income families and for other ways in which the city in coordination with the public housing agency could make more effective use of limited housing funds.

Under no circumstances would there be any reduction in the number of low-income families who would otherwise be served with housing assistance had these amounts not been combined. In fact, by allowing greater flexibility and cost-effectiveness in the use of these funds, my amendment will increase and enhance housing assistance to lower income families who need it.

I urge support for my amendment.

Mr. KERRY. Mr. Chairman, I have a question regarding section 107(d) of S. 462, which adds a new performance indicator for the extent to which the public housing agency is providing acceptable basic housing conditions. I do not see what could be much more fundamental to a housing authority's performance than offering its tenants decent housing conditions in which to live.

Mr. MACK. I agree.

Mr. KERRY. The committee report, on page 15, indicates that both the Secretary of Housing and Urban Development [HUD] and HUD's inspector general pointed out that under the current performance evaluation [PHMAP] system, a PHA can escape "troubled" designation even though a substantial portion of its units would not meet basic housing conditions. This seems totally unacceptable. Will the proposed amendment in section 107(d) of S. 462 allow HUD to give this performance indicator enough weight to solve this problem? Will that approach assure that we do not have authorities that are deemed acceptable performers even though they offer widespread substandard housing conditions?

Mr. MACK. The amendment in S. 462 would allow HUD, subject to the rulemaking process, to give this performance indicator enough weight in the PHMAP system so that it can appropriately affect the determination whether a PHA is designated "troubled."

Mr. SARBANES. As you know, one of the most important principles of this public housing bill is resident empowerment. To this end, the legislation mandates that resident advisory boards assist in the development of public housing agency [PHA] plans. It also requires that PHA's: first, conduct public hearings to collect input on their proposed plans; second, make a copy of their proposed plan available for public inspection at least 45 days prior to the public hearing; and third, provide notice of the date of the public hearing at least 45 days in advance of the hearing.

Given this emphasis on resident participation, I would anticipate that PHA's would make every effort to ensure that each resident is aware of his or her opportunities to provide input. I would expect PHA's to prominently display, at each of their assisted housing developments, information about the hearings, as well as information about where residents can view copies of the proposed agency plans. I would also expect that PHA's, to the maximum extent practicable, will contact resident groups directly to inform them of this information. Is this how you anticipate the process will work?

Mr. MACK. That is the type of scenario I envision. The legislation was carefully crafted so that residents will have a significant voice in the policies and programs that will affect them. I agree that the only way their interests can truly be served is to provide them with as much advance notice and information about the public hearings as possible—and to incorporate their recommendations where appropriate.

Mrs. BOXER. Mr. President, I would first like to thank the chairman of the Housing Opportunity and Community Development Subcommittee for joining me in this colloquy regarding a very serious problem for many low-income citizens living in mobile home parks. These good people, most of whom are senior citizens, are not able to use section 8 assistance because their park owners refuse to accept it.

In the vast majority of cases, mobile home tenants own their mobile home and rent the space on which the home sits. Unfortunately, many residents become unable to pay the rising space rates and require low-income housing

assistance under section 8. This is especially common among elderly residents whose income drops following death of a spouse or illness.

Under the current system, because section 8 assistance payments are made to landlords, section 8 participation requires that the landlord sign a rental assistance contract with the appropriate housing authority. For various reasons, many mobile home park owners are refusing to sign these contracts. Consequently, their residents are being denied the section 8 assistance they need to meet their housing costs.

Without section 8 assistance, these very low-income, primarily elderly, residents, have few options. Some will be forced to move their homes to parks which accept section 8 assistance. However, this is an expensive and laborious process. It costs a minimum of $10,000 to relocate a mobile home, money that most low-income tenants do not have.

Some residents will not even have the option of moving their mobile homes to parks which accept section 8 payments. In areas with a shortage of spaces, tenants will have to either abandon their homes or continue to pay unaffordable space rents. Because currently high-space rents reduce the demand for mobile homes, those who must abandon their homes will likely not recoup their investment, often losing their entire lifesavings.

This is a critical problem for many in my State of California. Mobile homes are one of the few sources of affordable housing in many areas of the State, especially for senior citizens. There are approximately 700,000 mobile home residents in California 50–60 percent of whom are seniors. Without section 8 assistance, many of these residents will lose their homes and lifetime investments.

Mr. MACK. I am aware that this problem exists, Senator, and I am very sympathetic.

Mrs. BOXER. I appreciate the chairman's response. I would like to offer a solution. The House-passed Public Housing bill, H.R. 2, contains a provision that allows section 8 payments to go directly to mobile home tenants of parks which refuse to enter into section 8 contracts. This provision, section 330, gives the money directly to the tenants thereby obviating the need for a contract between the park owner and the local housing authority. Because the House provision only applies to tenants who already live in parks that do not accept section 8, it does not force park owners to take in new tenants with section 8 assistance.

I hope, Mr. Chairman, that when we get to conference on the Public Housing bills, we can seriously consider section 330 of the House-passed bill as a possible solution to the very urgent problem facing so many mobile home tenants.

Mr. MACK. I thank the Senator from California for her concern. I share her desire to prevent displacement of these good tenants and I have every intention of working with her during conference to assure that this problem is appropriately addressed.

Mrs. BOXER. I appreciate the Chairman's willingness to help solve this serious problem and I look forward to working with him on it in conference.

Mr. WELLSTONE. The relocation provisions contained in section 115 state that residents shall be relocated to areas that are generally not less desirable than the location of the displaced person's dwelling. Is it your understanding that a comparably desirable area would be one that is not subject to unreasonable adverse environment conditions, and one which offers similar access to public utilities, facilities, services, and the displaced person's place of employment?

Mr. MACK. I agree that these should be the primary factors that a public housing authority takes into consideration when providing relocation assistance. It is our intention that the interests of residents be protected to the maximum possible extent during the demolition and relocation process.

AMENDMENT NO. 1257

(Purpose: To provide a substitute)

Mr. MCCONNELL. Senator MACK has at the desk an amendment to the committee substitute. I ask its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Kentucky [Mr. MCCONNELL], for Mr. MACK, proposes an amendment numbered 1257.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

The PRESIDING OFFICER. Without objection, the amendment was agreed to.

(The amendment (No. 1257) was agreed to.)

Mr. MCCONNELL. I ask unanimous consent the committee amendment, as amended, be considered read and agreed to, the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed at this point in the RECORD.

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

The committee amendment, as amended was agreed to.

The bill (S. 462), as amended, was read the third time, and passed.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. MCCONNELL. Mr. President, I ask unanimous consent the Senate immediately proceed to executive session to consider the following nominations on the Executive Calendar: No. 108, No. 256, No. 257, No. 260 through 262, No. 278 and No. 290 through 303, all nominations on the Secretary's desk in the Air Force, Army, Coast Guard, Marine Corps, Navy and the Public Health Service.

I further ask unanimous consent that the nominations be confirmed, the motion to reconsider be laid on the table, any statements relating to the nominations appear at this point in the RECORD, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

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

The nominations considered and confirmed en bloc are as follows:

INTER-AMERICAN FOUNDATION

Jeffrey Davidow, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be a Member of the Board of Directors of the Inter-American Foundation, for a term expiring September 20, 2002.

THE JUDICIARY

Marjorie O. Rendell, of Pennsylvania, to be U.S. Circuit Judge for the Third Circuit.

Richard A. Lazzara, of Florida, to be U.S. District Judge for the Middle District of Florida.

DEPARTMENT OF COMMERCE

Robert L. Mallett, of Texas, to be Deputy Secretary of Commerce.

W. Scott Gould, of the District of Columbia, to be Chief Financial Officer, Department of Commerce.

W. Scott Gould, of the District of Columbia, to be an Assistant Secretary of Commerce.

INTER-AMERICAN FOUNDATION

Nancy Dorn, of the District of Columbia, to be Member of the Board of Directors of the Inter-American Foundation for a term expiring June 26, 2002.

IN THE ARMY

The following U.S. Army Reserve officer for promotion in the Reserve of the Army to the grade indicated under title 10, United States Code, sections 14101, 14315 and 12203(a):

To be brigadier general

Col. James W. Comstock, xx...

The following-named officer for appointment in the Regular Army to be the grade indicated under title 10, United States Code, section 624:

To be brigadier general

Col. Antonio M. Taguba, xx...

The following-named officers for appointment in the U.S. Army to the grade indicated under title 10, United States Code, section 624:

To be major general

Brig. Gen. John G. Meyer, Jr., xx...
Brig. Gen. Robert L. Nabors, xx...

The following-named officer for appointment in the U.S. Army to the grade indicated under the provisions of title 10, United States Code, section 624:

To be major general

Maj. Gen. Robert G. Claypool, xx...

The following Army National Guard of the United States officers for appointment in the Reserve of the Army to the grade indicated

under title 10, United States Code, section 12203:

To be major general

Brig. Gen. Earl L. Adams, xx...
Brig. Gen. John E. Blair, xx...
Brig. Gen. James G. Blaney, xx...
Brig. Gen. Don C. Morrow, xx...
Brig. Gen. Thomas E. Whitecotton III, xx...
Brig. Gen. Jackie D. Wood, xx...

To be brigadier general

Col. Stephen E. Arey, xx...
Col. George A. Buskirk, Jr., xx...
Col. William A. Cugno, xx...
Col. Joseph A. Goode, Jr., xx...
Col. Stanley J. Gordon, xx...
Col. Larry W. Haltom, xx...
Col. Daniel E. Long, Jr., xx...
Col. Gerald P. Minetti, xx...
Col. Ronald G. Young, xx...

The following-named officer for appointment in the U.S. Army to the grade indicated while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. George A. Fisher, xx...

The following-named officer for appointment in the U.S. Army to the grade indicated while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. William J. Bolt, xx...

The following-named officer for appointment in the U.S. Army to the grade indicated under title 10, United States Code, section 624:

To be brigadier general

Col. Henry W. Stratman, xx...

IN THE MARINE CORPS

The following-named officer for appointment in the U.S. Marine Corps to the grade indicated while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. Peter Pace, xx...

IN THE NAVY

The following-named officer for appointment in the U.S. Navy to the grade indicated under title 10, United States Code, section 624:

To be rear admiral

Rear Adm. (lh) Louis M. Smith, xx...

The following-named officers for appointment in the Naval Reserve to the grade indicated under title 10, United States Code, section 12203:

To be rear admiral (lower half)

Capt. Kenneth C. Belisle, xx...
Capt. John G. Cotton, xx...
Capt. Stephen S. Israel, xx...
Capt. Gerald J. Scott, Jr., xx...
Capt. Joe S. Thompson, xx...

The following-named officers for appointment in the Reserve of the Navy to the grade indicated under title 10, United States Code, section 12203:

To be rear admiral (lower half)

Capt. Howard W. Dawson, Jr., xx...
Capt. William J. Lynch, xx...
Capt. Robert R. Percy, III, xx...

The following-named officer for appointment as Deputy Judge Advocate General of the U.S. Navy in the grade indicated under title 10, United States Code, section 5149:

To be rear admiral

Capt. Donald J. Guter, xx...

The following-named officer for appointment in the U.S. Navy to the grade indicated under title 10, United States Code, section 624:

To be rear admiral (lower half)

Capt. William W. Cobb, Jr., xx...

IN THE AIR FORCE, ARMY, COAST GUARD, MARINE CORPS, NAVY, PUBLIC HEALTH SERVICE

Air Force nominations beginning Richard W. Aldrich, and ending Frank A. Yerkes, Jr, which nominations were received by the Senate and appeared in the Congressional Record of July 29, 1997.

Air Force nominations beginning Luis C. Arroyo, and ending Michael R. Emerson, which nominations were received by the Senate and appeared in the Congressional Record of July 31, 1997.

Air Force nominations beginning James M. Bartlett, and ending Ellis D. Dinsmore, which nominations were received by the Senate and appeared in the Congressional Record of July 31, 1997.

Air Force nomination of Robert J. Spermo, which was received by the Senate and appeared in the Congressional Record of September 3, 1997.

Air Force nominations beginning Carl M. Gough, and ending Samuel Strauss, which nominations were received by the Senate and appeared in the Congressional Record of September, 3, 1997.

Air Force nominations beginning Joseph Argyle, and ending Michael D. Eller, which nominations were received by the Senate and appeared in the Congressional Record of September 3, 1997.

Air Force nominations beginning Arnold K. Abangan, and ending Darren L. Zwolinski, which nominations were received by the Senate and appeared in the Congressional Record of September 3, 1997.

Army nomination of Frank G. Whitehead, which was received by the Senate and appeared in the Congressional Record of July 31, 1997.

Army nominations beginning Mary A. Allred, and ending James R. Tinkham, which nominations were received by the Senate and appeared in the Congressional Record of July 31, 1997.

Army nominations beginning Robert C. Baker, and ending James R. Wooten, which nominations were received by the Senate and appeared in the Congressional Record of July 31, 1997.

Army nominations beginning Edwin E. Ahl, and ending Mark A. Zerger, which nominations were received by the Senate and appeared in the Congressional Record of July 31, 1997.

Army nominations beginning Christian F. Achleithner, and ending Daniel A. Zeleski, which nominations were received by the Senate and appeared in the Congressional Record of July 31, 1997.

Army nomination of Shri Kant Mishra, which was received by the Senate and appeared in the Congressional Record of September 3, 1997.

Army nomination of David S. Feigin, which was received by the Senate and appeared in the Congressional Record of September 3, 1997.

Army nomination of Clyde A. Moore, which was received by the Senate and appeared in the Congressional Record of September 3, 1997.

Army nominations beginning Terry A. Wikstrom, and ending Richard C. Butler, which nominations were received by the Senate and appeared in the Congressional Record of September 3, 1997.

Army nomination of James H. Wilson, which was received by the Senate and appeared in the Congressional Record of September 3, 1997.

Army nominations beginning Ellis E. Brumraugh, Jr., and ending John C. Zimmerman, which nominations were received by the Senate and appeared in the Congressional Record of September 3, 1997.

Army nominations beginning Graten D. Beavers, and ending John E. Zupko, which nominations were received by the Senate and appeared in the Congressional Record of September 3, 1997.

Army nominations beginning James L. Atkins, and ending Scott Wilkinson, which nominations were received by the Senate and appeared in the Congressional Record of September 3, 1997.

Army nominations beginning Frank J. Abbott, and ending Xxxx..., which nominations were received by the Senate and appeared in the Congressional Record of September 3, 1997.

Army nominations beginning Madelfia A. Abb, and ending Xxxx..., which nominations were received by the Senate and appeared in the Congressional Record of September 3, 1997.

Army nominations of Rafael Lara, Jr., which was received by the Senate and appeared in the Congressional Record of September 15, 1997.

Army nominations beginning Morris F. Adams, Jr, and ending George W. Wilson, which nominations were received by the Senate and appeared in the Congressional Record of September 15 1997.

Army nominations beginning Cynthia A. Abbott, and ending Anthony W. Young, which nominations were received by the Senate and appeared in the Congressional Record of September 15, 1997.

Coast Guard nominations beginning Michael F. Holmes, and ending Beverly G. Kelley, which nominations were received by the Senate and appeared in the Congressional Record of September 3, 1997.

Coast Guard nominations beginning Stephen E. Flynn, and ending Vincent Wilczynski, which nominations were received by the Senate and appeared in the Congressional Record of September 15, 1997.

Coast Guard nominations beginning Frank M. Paskewich, and ending Robert M. Pyle, which nominations were received by the Senate and appeared in the Congressional Record of September 15, 1997.

Coast Guard nominations beginning Steven C. Acosta, and ending Marc A. Zlomek, which nominations were received by the Senate and appeared in the Congressional Record of September 18, 1997.

Marine Corps nomination of Franklin D. McKinney, Jr., which was received by the Senate and appeared in the Congressional Record of July 29, 1997.

Marine Corps nomination of William C. Johnson, which was received by the Senate and appeared in the Congressional Record of September 3, 1997.

Marine Corps nomination of Tony Weckerling, which was received by the Senate and appeared in the Congressional Record of September 3, 1997.

Marine Corps nomination of Jeffrey E. Lister, which was received by the Senate and appeared in the Congressional Record of September 3, 1997.

Marine Corps nomination of Harry Davis, Jr., which was received by the Senate and appeared in the Congressional Record of September 3, 1997.

Marine Corps nomination of Michael D. Dahl, which was received by the Senate and

appeared in the Congressional Record of September 3, 1997.

Marine Corps nomination of James C. Clark, which was received by the Senate and appeared in the Congressional Record of September 3, 1997.

Marine Corps nomination of John C. Kotruch, which was received by the Senate and appeared in the Congressional Record of September 15, 1997.

Navy nominations beginning Lawrence E. Adler, and ending Thomas A. Zimmerman, which nominations were received by the Senate and appeared in the Congressional Record of September 3, 1997.

Navy nominations beginning David M. Belt, Jr., and ending Gene P. Theriot, which nominations were received by the Senate and appeared in the Congressional Record of September 15, 1997.

Navy nominations beginning Eugene M. Abler, and ending Eric A. Zoehrer, which nominations were received by the Senate and appeared in the Congressional Record of September 15, 1997.

Public Health Service nominations beginning Jennifer L. Betts, and ending Rebecca J. Werner, which nominations were received by the Senate and appeared in the Congressional Record of September 4, 1997.

Public Health Service nominations beginning William E. Halperin, and ending Trinh K. Nguyen, which nominations were received by the Senate and appeared in the Congressional Record of September 12, 1997.

STATEMENT ON THE NOMINATIONS OF MARJORIE O. RENDELL AND RICHARD A. LAZZARA

Mr. LEAHY. Mr. President, I am delighted to see two more hostages released by the Republican majority to serve the American people as Federal judges.

Anticipation of the President's radio address on the judicial vacancy crisis has obviously reached the Senate. I expect even those who have spent so much time this year holding up the confirmations of Federal judges were uncomfortable defending this Senate's record of having proceeded on only 9 of the 61 nominees received through August of this year. As rumors of the President's impending address have circulated around Capitol Hill, this Senate has literally doubled its confirmations from 9 to 18 in the course of 23 days. That demonstrates just how low the Senate's output has been over the first 8 months of this year. With these two confirmations, the Senate will have finally achieved the snail-like pace of confirming two judges a month while still faced with almost 100 vacancies.

Unfortunately, the Republican leadership has once again chosen to skip over the nomination of Margaret Morrow and that of Christina Snyder who have been nominated to be district court judges in the Central District of California. As I detailed again yesterday, Ms. Morrow has been the victim of a mysterious hold for months.

Marjorie Rendell has been a fine district court judge since 1994. President Clinton nominated her to a seat on the Court of Appeals for the Third Circuit on the first day of this session. At the time, I could not have imagined that it would take nine months for the Judiciary Committee to accord her a hearing and report her nomination to the Senate. Senator SPECTER and Senator BIDEN are both to be commended for pressing their efforts to have this nomination considered. Indeed, Senator SPECTER ultimately chaired her confirmation hearing.

Judge Rendell received the ABA's highest rating of well qualified for appointment to the third circuit. She has been active in the Visiting Nurse Association of Greater Philadelphia and the Philadelphia Bar Foundation and active in the community. Senator KENNEDY described her career as "one of great distinction and insight." Even Senator SESSIONS concurred that Judge Rendell "was a very impressive witness."

The good news is that her confirmation fills a vacancy on the third circuit, the bad news is that it creates a vacancy on the district court at a time when it is taking far too long to confirm good nominees.

I congratulate Judge Rendell and her family and look forward to her service on the third circuit.

I am delighted to see the Senate moving forward with the nomination of Richard Lazzara to be a Federal judge in the Middle District of Florida. The Senate first received this nomination in early May 1996, over 16 months ago. It should not have taken us this long to get to this point.

I know that the chief judge in that district, Elizabeth Kovachevich, has been speaking out about the workload, backlogs and vacancies in her court. Judge Kovachevich has noted that serious crimes are up 28 percent in her district and civil filings are up 25 percent for the second straight year leading to a growing backlog of over 3,200 cases. Both Senator GRAHAM and Senator MACK were strong supporters of this nominee at his hearing in early September. I was struck that Senator MACK called the situation one of "crisis proportions" and pointed out that the district is having to take unprecedented steps to deal with a backlog growing "at an alarming proportion."

I have introduced legislation recommended by the Judicial Conference of the United States to add three additional judges for that district, but their needs remain unaddressed because that bill has not received the attention that it deserves.

Filling this vacancy without further delay is a start. The people of Orlando, Jacksonville, and Tampa have had to wait a long time for judge Lazzara. This nominee received the highest rating possible from the American Bar Association. He is an experienced Judge, having served as a Florida County judge, a Florida circuit judge and a Florida appellate judge over the last 10 years.

I congratulate Judge Lazzara and his family and look forward to his service on the Federal Court.

With Senate confirmation of these two judges, the Senate continues to lag well behind the pace established by Majority Leader Dole and Chairman HATCH in the 104th Congress. By this time 2 years ago, the Senate had confirmed 36 Federal judges. With today's actions, the Senate will have confirmed one-half that number, only 18 judges. We still face almost 100 vacancies and have over 50 pending nominees to consider with more arriving each week.

For purposes of perspective, let us also recall that by the end of September 1992, during the last year of President Bush's term, a Democratic majority in the Senate had confirmed 59 of the 72 nominees sent to us by a Republican President. This Senate is on pace to confirm less than one-third of a comparable number of nominations.

We still have more than 47 nominees among the 69 nominations sent to the Senate by the President pending before the Judiciary Committee who have yet to be accorded even a hearing during this Congress. Many of these nominations have been pending since the very first day of this session, having been renominated by the President. Several of those pending before the committee had hearings or were reported favorably last Congress but have been passed over so far this year, while the vacancies for which they were nominated over 2 years ago persist. The committee has 10 nominees who have been pending for more than a year, including 5 who have been pending since 1995.

While I am encouraged that the Senate is today proceeding with the confirmations of Judge Rendell and Mr. Lazzara, there remains no excuse for the committee's delay in considering the nominations of such outstanding individuals as Prof. William A. Fletcher, Judge James A. Beaty, Jr., Judge Richard A. Paez, Ms. M. Margaret McKeown, Ms. Ann L. Aiken, and Ms. Susan Oki Mollway, to name just a few of the outstanding nominees who have all been pending all year without so much as a hearing. Professor Fletcher and Ms. Mollway had both been favorably reported last year. Judge Paez and Ms. Aiken had hearings last year but have been passed over so far this year. Nor is there any explanation or excuse for the Senate not immediately proceeding to consider the other five judicial nominations pending on the Senate calendar.

Those who delay or prevent the filling of these vacancies must understand that they are delaying or preventing the administration of justice. We can pass all the crime bills we want, but you cannot try the cases and incarcerate the guilty if you do not have

judges. The mounting backlogs of civil and criminal cases in the dozens of emergency districts, in particular, are growing taller by the day. National Public Radio has been running a series of reports all this week on the judicial crises and quoted the chief judge and U.S. attorney from San Diego earlier this week to the effect that criminal matters are being affected.

I have spoken about the crisis being created by the vacancies that are being perpetuated on the Federal courts around the country. At the rate that we are going, we are not keeping up with attrition. When we adjourned last Congress there were 64 vacancies on the Federal bench. After the confirmation of 18 judges in 9 months, there has been a net increase of 30 vacancies, an increase of almost 50 percent in the number of Federal judicial vacancies.

The Chief Justice of the Supreme Court has called the rising number of vacancies "the most immediate problem we face in the federal judiciary." Senator HATCH has said that we can do better. I agree with them and add that we must do better. I have urged those who have been stalling the consideration of these fine women and men to reconsider their action and work with us to have the Senate fulfill its constitutional responsibility.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will resume legislative session.

MORNING BUSINESS

(During today's session of the Senate, the following morning business was transacted.)

TRIBUTE TO THE LATE GEN. ROBERT E. HUYSER

Mr. THURMOND. Mr. President, in the year that the Nation celebrates the 50th anniversary of the founding of the U.S. Air Force, we must pause today to mourn the passing of an individual who was one of the key figures in the history of that service, Gen. Robert E. "Dutch" Huyser.

For almost 40 years, Dutch Huyser helped to protect America through airpower. Drafted into the Army during World War II, he became a B-29 pilot and flew numerous missions in the Pacific in support of Allied efforts to defeat Imperialism. Following the war, when the Air Force was established as a separate military service, he became a bright and promising young officer who would help to shape cold war policy and become known as the father of the program which eventually yielded the C-17 Globemaster aircraft. Before he would reach the highest echelons of the Air Force though, Dutch Huyser still had a lot of flying to do, and he found himself in the cockpits of B-29's over Korea and B-52's in Vietnam when the United States became embroiled in conflicts in those nations.

Throughout his career, Dutch Huyser established an impressive record of awards, citations, and medals that is far too extensive to cite here. Suffice it to say, he set an excellent example for devotion, patriotism, and professionalism for all Air Force officers to follow, and I am confident that he served as an important role model for many of his subordinates throughout his career.

An obvious competent and talented officer, pilot, and manager, the career of Dutch Huyser progressed quickly. Following his service in Vietnam, he specialized in airlift matters and later became the Commander of the Military Airlift Command. In that position, he was an advocate for increased lift capabilities for the Air Force, and he fought hard for the modernization and expansion of the transport fleet. As mentioned above, he is universally credited as being the father credited as being the father of the C-17 program, an aircraft that proves its capabilities and worth on a daily basis as it transports troops and equipment to spots around the world.

After three major wars, almost 10,000 flying hours, and 38 years in the Air Force, General Huyser finally hung his uniform up for the last time in 1981. Though he left the military, he continued to make many contributions to aviation and the security of the United States.

Sadly, Gen. Robert "Dutch" Huyser passed away earlier this week, but perhaps fitting for a man who dedicated his life to the Air Force, he was on an Air Force base when he died. I am certain that the entire Senate would join me in saluting the many contributions that General Huyser made to the Air Force and the defense of the United States, as well as extending our deepest sympathies to his wife, Wanda, and their two daughters. They can be proud of all that their husband and father did to make our Nation a safer, stronger, and better place to live.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Thursday, September 25, 1997, the Federal debt stood at $5,387,703,781,934.24. (Five trillion, three hundred eighty-seven billion, seven hundred three million, seven hundred eighty-one thousand, nine hundred thirty-four dollars and twenty-four cents).

One year ago, September 25, 1996, the Federal debt stood at $5,198,791,000,000. (Five trillion, one hundred ninety-eight billion, seven hundred ninety-one million).

Five years ago, September 25, 1992, the Federal debt stood at $4,045,041,000,000. (Four trillion, forty-five billion, forty-one million).

Ten years ago, September 25, 1987, the Federal debt stood at $2,336,074,000,000. (Two trillion, three hundred thirty-six billion, seventy-four million).

Twenty-five years ago, September 25, 1972, the Federal debt stood at $437,412,000,000 (Four hundred thirty-seven billion, four hundred twelve million) which reflects a debt increase of nearly $5 trillion—$4,950,291,781,934.24 (Four trillion, nine hundred fifty billion, two hundred ninety-one million, seven hundred eighty-one thousand, nine hundred thirty-four dollars and twenty-four cents) during the past 25 years.

NATIONAL LAWSUIT ABUSE AWARENESS WEEK

Mr. ASHCROFT. Mr. President. This week, the American Tort Reform Association is holding a series of events to mark the National Lawsuit Awareness Week. Since it was founded in 1986, ATRA has played a valuable role in the effort to restore fairness, balance, and predictability to the civil justice system.

To commemorate this week, ATRA is hosting a 5k "Tort Trot" to benefit the Hydrocephalus Research Foundation. Patients who suffer from hydrocephalus—excess fluid on the brain—particularly have been impacted by law suit abuse. Such patients require brain shunts to drain the excess fluid from the brain. While these shunts have saved the nearly 75,000 hydrocephalus patient's lives, they are made out of silicone which is becoming scarce. The silicone supply used by implant manufacturers is threatened by deep pocket liability lawsuits. Rather than take a risk over a product which they did not design or manufacture, some suppliers are exiting the medical device market.

Congress can fix this problem. We can pass meaningful tort reform to make sure that our system no longer lines the pockets of special interests at the expense of those in need of life-saving medical devices.

Americans deserve a system of justice, not justice delayed. Those wrongfully injured should have access to a timely remedy from the responsible party. A recent study found cases take about 2½ to 3 years to be resolved, and even longer in appealed cases. In our present—overburdened—system, 50–70 cents of every jury-awarded dollar goes to lawyers and legal costs.

I want to focus my remarks on reforming the product liability system; however, I also want to mention a case which illustrates the need for overall civil justice reform. This case, coined the "Great New Orleans Train Robbery" by the national media, resulted in a $2.5 billion punitive damages award against a company found to be

only 15 percent at fault in an accident that did not result in loss of life, serious injuries, or major property damage.

On September 9, 1987, a railroad tank car containing butadiene, a volatile compound used in making synthetic rubber, was located in a rail yard in New Orleans on tracks that belong to CSX Corp. Since the fire involved hazardous materials, the officials involved made a determination that the best approach was to let the fire burn itself out. In order to avoid any possible harm to nearby residents, an evacuation of those living near the yard was undertaken. The fire lasted 36 hours. By all accounts, fire officials, and corporate representatives undertook heroic efforts to protect life and property. As a result, and as I said earlier, no deaths or significant injuries were involved, and there was only minimal property damage.

One year later, the National Transportation Safety Board—the Federal agency charged with investigating transportation accidents—determined that CSX had not caused this accident. In fact, other than providing the track over which the tank car was operated, CSX had no connection to the car.

The very day of the fire, a group of law firms brought a class action suit against CSX and other companies alleging various kinds of physical and mental anguish. A jury has now decided that the 8,000 plaintiffs should be awarded $3.5 billion in punitive damages. Although CSX was only found to be 15 percent responsible—presumably because they owned the track—its portion of the punitive damage award is $2.5 billion.

How can it be that a Federal agency determines that a company has no responsibility for an accident, another agency declines to assess any safety violation against that company, and yet, this enormous verdict is awarded?

The case in New Orleans is but the latest example of why we need to reform the entire civil justice system. We need to place some limits on verdicts. We need to modify the laws regarding joint liability. Finally, we need to provide disincentives for lawyers to sue the deep pocket every time they can.

Before I begin talking about product liability reform, Mr. President I ask unanimous consent that articles appearing recently in the Wall Street Journal and the Washington Post relating to this almost unbelievable case, appear in the RECORD at this point.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Sept. 18, 1997]

LOUISIANA JACKPOT

The tort wheel of fortune turns round and round. By all accounts, the legal freak show is about to descend on the "fen-phen" diet-pill manufacturers. There will be "thousands of lawsuits scattered all around the country," one tort lawyer roared in the Journal yesterday. But before this circus hits town, attention should be drawn to the one now playing in Louisiana.

In a case that has already been dubbed the Great New Orleans Train Robbery, 8,047 residents of the Big Easy hit the jackpot, winning $3.4 billion in punitive damages in a state court. Forget about McDonald's hot coffee and BMW's paint job; the Louisiana train case is one of the wildest examples yet of the craziness that infects our civil-justice system.

If the accident that led to the huge award didn't get much attention at the time, that was because nothing much happened. On December 9, 1987, a tank car carrying butadiene, a petroleum byproduct, caught on fire while standing on a railway track in the Gentilly section of New Orleans. The fire burned for 36 hours and about 1,000 neighborhood residents were evacuated. No one died. No one was seriously hurt. There was no significant property damage.

Within hours the personal-injury lawyers were on the scene sniffing out clients, and the first lawsuit was filed before the fire had even stopped burning. Ultimately, the class in the suit decided last week ballooned to 8,047 people, seeking compensation for the mental anguish that the incident supposedly imposed on them.

Along the way, a much smaller group of plaintiffs ended up in federal court, which dismissed a bunch of cases and awarded several plaintiffs each about $1,000 in compensatory damages. The court ruled against punitive damages. Reading the writing on the wall, some of the original plaintiffs in the federal case apparently jumped over to the state case as soon as they realized they could shop for more money there.

There are nine defendants in the tank-car case, but the one that got socked with by far the biggest judgment—$2.5 billion in punitive damages—was CSX Transportation, a unit of CSX Corp. Never mind that CSX's only connection to the case was that it owned the track on which the tank car was resting. Never mind that an investigation by the National Transportation Safety Board concluded that CSX bore no responsibility for the accident, which was cause by a faulty gasket. And never mind that the owner and previous owner of the tank car admitted liability for the accident at the trial.

None of this reality mattered to the jury, which was looking for someone with deep pockets. Stymied because it couldn't go after the previous owner, which under state law was exempt from punitive damages, it settled on CSX.

The jury, of course, was encouraged to reach this decision by the plaintiff's lawyers, whose notion of justice has more to do with how much money they can siphon off for themselves than how much they can help their clients. The lawyer representing many of the plaintiffs was one Wendell Gauthier, the class-action king better known for masterminding the Castano tobacco suit.

He and his colleagues were in high dudgeon, carrying on about "corporate greed," executives who travel in "private Lear Jets and their limos," and corporations that cared more about the rich residents of the French Quarter than the lower-middle-class, mostly black residents of Gentilly. "There is only one thing that will make a company that big respond," said Mr. Gauthier in asking the jury for punitive damages.

It's widely expected that Judge Wallace Edwards will overturn or drastically reduce the verdict. One school of thought opines that this means such unfair awards don't really do any damage; courts usually rein in such irrational exercises of jury power so all turns out well in the end. Or does it? Each case sends a ripple through the civil-justice system. It encourages fee-hungry plaintiff's lawyers to chase crazier and crazier cases, and it encourages companies to settle, no matter how outrageous the claim, if only to avoid having to play Russian roulette in court.

Louisiana, recognizing the need to restore sanity to its civil-justice system, last year enacted a comprehensive tort-reform law that pretty much eliminates punitive damages. This will have the welcome effect of reining in runaway juries and neutralizing Mr. Gauthier and his fellow tort tycoons. But it of course comes too late for CSX and the other defendants in the Great New Orleans Train Robbery.

[From the Washington Post, Sept. 9, 1997]

JURY AWARDS $3.4 BILLION IN 1987 RAIL BLAST

A jury awarded damages totaling $3.4 billion today to 8,000 people who said they were injured mentally and physically by a 1987 railroad tank car explosion.

Hardest hit by the award was rail firm CSX Transportation, a unit of Richmond-based CSX Corp., which was ordered to pay $2.5 billion.

The plaintiffs accused CSX Transportation and eight other defendants of negligence in the Sept. 9, 1987, incident in which a rail car carrying the petrochemical butadiene leaked and caught fire.

Residents from nearly 200 blocks in New Orleans were evacuated overnight. They said they suffered health problems and mental anguish, which the defendants disputed.

Chicago-based defendant GATX Corp., which was ordered to pay $190 million, said there were no deaths or significant injuries and no major property damage occurred.

Defense attorney Brent Barriere said: "This should have been a case of reasonable damages for the inconvenience of residents being out of their homes for about 36 hours. But it was not reasonable. It was outrageous."

Plaintiffs' attorney Wendell Gauthier said the companies had been "careless and indifferent" to the people living near the railroad. He said the accident was preceded by ongoing mishandling of dangerous materials by the defendants.

CSX Transportation President A.R. Carpenter said in a statement that the firm was "very disappointed with this decision. . . . It is clearly not consistent with the facts.

"CSXT handled the leaking car in complete accordance with very stringent federal safety standards. The National Transportation Safety Board investigation into this accident concluded the incident was not caused by CSXT," he said.

Juror Kimbra Whitney told reporters she thought the defendants did not do enough to protect residents of the area. "I felt the evidence showed they were unconcerned," she said.

Other defendants ordered to pay damages were Mitsui & Co., $375 million; Alabama Great Southern Railway, $175 million; and Illinois Railroad Co., $125 million.

Mr. ASHCROFT. Commonsense product liability reform is vital to the global competitiveness of American manufacturers and workers. U.S. companies face product liability insurance costs that are 20 to 50 times greater than

those of our foreign competitors. Due to these high costs, American many manufacturers spend more on litigation than on research and development and the American consumer is deprived of the highest quality and most innovative product.

In addition, commonsense reform is vital to the health—in a very real sense—of millions of Americans. In 1993, Jim Vincent, the chairman and CEO of Biogen, indicated to this committee that his company decided not to pursue research into the development of an AIDS vaccine, because of the current U.S. product liability system. In addition, availability of many biomaterials such as silicone, polyester, dacron, and rubber that are used in lifesaving medical implant devices is being threatened by our current product liability system.

Despite years of effort, the only Federal tort reform we have been able to accomplish has been in the areas of food donations, securities litigation, general aviation aircraft, and individual volunteer liability. The one area of reform that has been, in effect, long enough for us to measure its results is the General Aviation Revitalization Act of 1994, which was signed by President Clinton on August 17, 1994.

The aviation liability reform bill enacted a statute of repose for general aviation aircraft. In 1994, proponents of the bill said that it would produce jobs. It has. To date, over 9,000 new jobs, good jobs, have been created. Single engine aircraft are being manufactured in American again, and an endangered industry has been revitalized. President Clinton was right to support that bill. Let us bring the results of the General Aviation Revitalization Act of 1994 to the broad segments of our country and industries.

The principles which we begin this conversation should be based on making the product liability laws in this Nation fair for consumers who purchase defective products while placing the burden on those responsible for putting these products into the stream of commerce. We also should seek to ensure that those who misuse products, or use them while under the influence of drugs or alcohol, do not collect a windfall which becomes a burden for American consumers in the form of increased costs for products—useful products that are no longer available in the market, and the loss of jobs and greater opportunities.

We should not affect the ability of plaintiffs to sue manufacturers or sellers of medical implants. Rather, we should allow raw materials suppliers to be dismissed from lawsuits if the generic raw material used in the medical device met contract specifications, and if the biomaterial supplier is not classified as either a manufacturer or seller of the implant.

Strong product liability reform is good for America. It ensures that consumers, injured by a product, will be fairly compensated. It will enhance American innovation, which is the best in the world, by treating responsible entrepreneurs fairly while treating the bad actors harshly and to the full extent of the law.

As chairman of the Consumer Affairs Subcommittee I am committed and look forward to working with members of this committee, on both sides of the aisle, and with the administration toward ending the 20-year study and painstaking endeavor to provide our Nation with sound and fair Federal product liability law. It took the European community about 6 years to accomplish this goal and create the European Product Liability Directive. Japan enacted its first product liability reform law almost 2 years ago. Our Nation, this Congress, and this administration should pull together and meet the challenge of our foreign competitors and enact fair and balanced product liability law.

EDUCATION SAVINGS ACCOUNTS

Mr. BURNS. Mr. President, I rise to add my name to the list of cosponsors of S. 1133, the Parent and Student Savings Account PLUS Act, introduced by Senator COVERDELL, and ask unanimous consent that my name be added. This bill will allow families to invest in education savings accounts, or A-Plus accounts, for their kids' K through 12 expenses.

Mr. President, the Taxpayer Relief Act of 1997 provides several education-related tax provisions for students and their families. Yet these provisions are mainly aimed at making higher education more affordable. While I am all for student loan interest deductions and tax credits for 2- and 4-year degrees, K through 12 education is not cheap either, and families could greatly benefit by saving up through A-Plus accounts. But for a last minute veto threat of the entire balanced budget act, families would have the option of savings accounts for their kids' future.

Why are education savings accounts a good idea? For the same reason tax credits for college expenses are a good idea: They help families afford a quality education for their kids. These A-Plus accounts can be used for public, private, and home schooling education expenses. Qualified expenses include tuition, fees, tutoring, special needs services, books, supplies, equipment, and transportation. This will mean a lot to hard-working families trying to make ends meet.

Opponents like to equate education savings accounts with vouchers, and they consistently use the terms interchangeably as if they are one and the same. This is a red herring. Unlike vouchers, education savings accounts would not redirect State or local funds otherwise available for public education. To the contrary, I believe public school students will greatly benefit by saving money for general school expenses. And from what I'm hearing, families across the country agree with me. Let me reiterate: We are talking here about using one's own hard-earned money for education expenses, not diverting public funds that would otherwise be spent on public schools.

Now, I do not support the use of vouchers in Montana because I believe they would disrupt public school financing and the costs to our public schools would outweigh the benefits to our students. But this is a separate issue, and one better left to the Montana Legislature.

Opponents have also claimed that education savings accounts would violate the establishment clause of the Constitution because Federal dollars would indirectly benefit religious schools. I'll simply respond by saying that under that reasoning, any federal financial aid to students attending Marquette, Georgetown, or Brigham Young would also violate the Constitution. We all know that is not the case.

Although we were blocked from including education savings accounts in the Taxpayer Relief Act, thanks to the efforts of Senator COVERDELL we will have another chance to send this bill to the President. At that time we will have the chance to show our support for America's families by making education more affordable.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

A message from the House of Representatives, delivered by one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 2266. An act making appropriations for the Department of Defense for the fiscal year ending September 30, 1998, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources:

Report to accompany the bill (S. 1015) to provide for the exchange of lands within Admiralty Island National Monument, and for other purposes (Rept. 105–90).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BURNS:

S. 1223. A bill to protect personal employment information reported to the National Directory of New Hires; to the Committee on Finance.

By Mr. ALLARD (for himself and Mr. WYDEN):

S. 1224. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to ensure full Federal compliance with that Act; to the Committee on Environment and Public Works.

By Mr. HUTCHINSON:

S. 1225. A bill to terminate the Internal Revenue Code of 1986; to the Committee on Finance.

By Mr. ABRAHAM (for himself, Mr. BROWNBACK, Mr. KYL, Mr. HAGEL, Mr. ALLARD, Mr. FAIRCLOTH, Mr. HUTCHINSON, Mr. NICKLES, and Mr. GRAMM):

S. 1226. A bill to dismantle the Department of Commerce; to the Committee on Governmental Affairs.

By Mr. JEFFORDS (for himself, Mr. D'AMATO, Mr. SARBANES, Mr. GRAMM, Mr. DODD, Mr. BOND, Mr. KENNEDY, and Mr. BINGAMAN):

S. 1227. A bill to amend title I of the Employee Retirement Income Security Act of 1974 to clarify treatment of investment managers under such title; considered and passed.

By Mr. CHAFEE (for himself and Mr. D'AMATO):

S. 1228. A bill to provide for a 10-year circulating commemorative coin program to commemorate each of the 50 States, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. CAMPBELL:

S. 1229. A bill to provide for the conduct of a clinical trial concerning digital mammography; to the Committee on Labor and Human Resources.

By Mr. CRAIG:

S. 1230. A bill to amend the Small Reclamation Projects of 1956 to provide for Federal cooperation in non-Federal reclamation projects and for participation by non-Federal agencies in Federal projects; to the Committee on Energy and Natural Resources.

By Mr. FRIST (for himself, Mr. MCCAIN, Mr. HOLLINGS, and Mr. ROCKEFELLER):

S. 1231. A bill to authorize appropriations for fiscal years 1998 and 1999 for the United States Fire Administration, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. MOYNIHAN:

S. 1232. A bill to provide for the declassification of the journal kept by Glenn T. Seaborg while serving as Chairman of the Atomic Energy Commission; to the Committee on Energy and Natural Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. THURMOND (for himself, Mr. HATCH, Mr. GRASSLEY, Mr. KYL, Mr. SESSIONS, and Mr. DEWINE):

S. Res. 128. A resolution expressing the sense of the Senate that sections 3345 through 3349 of title 5, United States Code (commonly referred to as the "Vacancies Act"), relating to the appointment of certain officers to fill vacant positions in Executive agencies, apply to all Executive agencies, including the Department of Justice; to the Committee on Governmental Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BURNS:

S. 1223. A bill to protect personal employment information reported to the National Directory of New Hires; to the Committee on Finance.

THE EMPLOYEE INFORMATION PROTECTION ACT OF 1997

Mr. BURNS. Mr. President, I rise to introduce the Employee Information Protection Act of 1997. This bill will correct a serious problem with the 1996 welfare reform law that threatens the privacy of every American.

I do not know how many of my colleagues are aware of the fact that the new welfare reform law created a national new hire directory, which requires States to collect the name, address, and Social Security number of all newly hired employees and send this information to Washington, DC. This new hire directory will be housed at the Social Security Administration, under agreement with the Office of Child Support Enforcement, and the data will be checked against a registry of child support cases to detect overdue payments.

Concerns with this new hire directory nearly killed the welfare reform bill in the Montana Legislature and in several other State legislatures, but folks inside the Beltway do not seem too concerned. But I am concerned, and I will tell you why.

I am all for tracking down deadbeat parents and recovering overdue child support. But this new directory covers every new hire in every State and does not distinguish between deadbeats and nondeadbeats. What's more, the new law puts no limits on how long employee data may remain in the national new hire directory, and the Office of Child Support Enforcement has not developed any limits. It is especially alarming to me that in addition to the Office of Child Support Enforcement and the Social Security Administration, the Treasury Department has access to the directory and the Secretary of Health and Human Services has the discretion to provide researchers access to the directory. With the revelations this week at the Finance Committee hearings of abuse of taxpayer information at the IRS, it is urgent that we take measures to protect personal information from abuse.

The Employee Information Protection Act is simple—in fact it is only one sentence long, not counting the findings. That sentence reads: "Information entered into such database shall be deleted 6 months after the date of entry." That is it. This 6-month limit on retention of new hire data would give the Child Support Office sufficient time to check employee data against the child support case registry and start collection efforts on the deadbeats. At the same time, it will provide some protection for the personal information of the vast majority of Americans who do not owe child support.

I urge my colleagues to take a good look at this situation and if you have concerns as I do, join me in sponsoring the Employee Information Protection Act of 1997. I ask unanimous consent that Monday's New York Times article on the new hire directory be inserted into the RECORD.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1223

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Employee Information Protection Act of 1997".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds the following:

(1) The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193; 110 Stat. 2105) requires Federal and State child support enforcement agencies to implement new programs to collect overdue child support payment, thereby reducing the burden on taxpayers by lowering welfare payments.

(2) Among the new programs created under such Act and the amendments made by such Act, is the National Directory of New Hires, to be administered by the Social Security Administration, under agreement with the Office of Child Support Enforcement of the Department of Health and Human Services. Under this program, States are required to develop a reporting system whereby employers must report to their respective States the name, address, and social security number of all newly hired employees. States must forward the new hire data within 3 days of receipt to the National Directory of New Hires, where the data will be checked against the Federal Case Registry of Child Support Orders to detect overdue child support.

(3) The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 does not limit how long employee data may remain in the National Directory of New Hires, and the Office of Child Support Enforcement of the Department of Health and Human Services has not developed any such limits as of September 15, 1997. In addition to the Office of Child Support Enforcement of the Department of Health and Human Services and the Social Security Administration, the Department of the Treasury has access to the directory and the Secretary of Health and Human Services has the discretion to provide researchers access to the directory.

(4) The overwhelming majority of newly hired individuals do not have child support

orders entered against them, yet their personal data can be viewed by Federal agencies without such individuals' knowledge or consent.

(5) Recent disclosures of unauthorized viewing of taxpayer information by officials of the Internal Revenue Service highlight the potential for abuse of such information and the need for safeguarding measures.

(6) Several States with new hire reporting programs have time limits on data retention ranging from 6 to 9 months.

(7) A 6-month limit on retention of new hire data in the National Directory of New Hires, from the date such data is entered, would allow sufficient time to check the data against the Federal Case Registry of Child Support Orders and to initiate action against individuals with overdue child support, and would reduce the potential for abuse and misuse of the data.

(b) PURPOSE.—The purpose of this Act is to safeguard personal information concerning employees who do not have child support orders pending against them by placing a reasonable time limit on the retention of new hire data reported to the National Directory of New Hires.

SEC. 3. LIMIT ON NEW HIRE DATA RETENTION.

(a) REQUIREMENT TO DELETE DATA AFTER 6 MONTHS.—Section 453(i)(2) of the Social Security Act (42 U.S.C. 653(i)(2)) is amended by adding at the end the following: "Information entered into such database shall be deleted 6 months after the date of entry.".

[(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of title III of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193; 110 Stat. 2198).]

[From the New York Times, Sept. 22, 1997]

U.S. INAUGURATING A VAST DATABASE OF ALL NEW HIRES

(By Robert Pear)

WASHINGTON, Sept. 20.—Enforcement of child support obligations enters a new era on Oct. 1, when the Federal Government will start operating a computerized directory showing every person newly hired by every employer in the country so Federal and state investigators can track down parents who owe money to their children.

States will be able to use the directory to locate parents and dun them, typically by securing court orders to employers to deduct child support from wages and salaries.

Keeping track of parents who move from state to state is one of the most difficult tasks in collecting child support, officials say. More than 30 percent of the 19 million child support cases involve parents who do not live in the same state as their children.

President Clinton will soon announce the National Directory of New Hires, which is required by the 1996 welfare law. But the director is not just for welfare recipients. It will record basic information, including names, addresses, Social Security numbers and wages, for everyone hired after Oct. 1 for a full- or part-time job by an employer of any size.

It will be one of the largest, most up-to-date files of personal information kept by the Government. Michael Kharfen, a spokesman for the Department of Health and Human Services, said the Government expected to receive data on 60 million newly hired employees a year. Wages must be reported every three months; the Government expects to receive 160 million wage reports each quarter.

The size and scope of the database have raised concerns about the potential for intrusions on privacy.

Federal and state officials predict that the new Federal directory, combined with similar directories in all states, will produce billions of dollars in new child support payments. States like New York, Virginia, Texas and Missouri, which have required the reporting of newly hired workers in the last few years, say the procedure has been extremely helpful in locating absent parents.

In New York, Daniel D. Hogan, a spokesman for the state's Department of Family Assistance, said that three million people had been hired in the last year and that more than 5 percent of them had been found, through matching of computer files, to owe child support.

When people change jobs, Mr. Hogan said, New York officials inform the new employers of any child support obligations so the money can immediately be withheld from wages.

"We don't give them an opportunity to become deadbeats," Mr. Hogan said. "The biggest problem facing us in child support enforcement is people who move out of state. The best part of the Federal reform is that it will allow us to break down barriers state to state."

Health and Human Services will maintain a separate register listing everyone who owes or is owed child support. It will check each new employee against the list of child support orders to see if the worker owes any money.

Thomas D. Neal, a child support specialist in the Texas Attorney General's office, said: "The national directory will tremendously enhance our ability to locate absent parents and collect child support. Before now, we did not have a good mechanism to know that another state was looking for an individual who might be working in Texas."

Virginia has required the reporting of all newly hired employees since 1993. Patricia Addison, manager of operations for the state's child support program, said, "We've found it an invaluable tool."

The State of Virginia is routinely informed whenever a person takes a new job. By contrast, Ms. Addison said, in the past, "the only way we found out that the father had changed jobs is that the child support payments stopped."

Despite the enthusiasm of state officials, Robert M. Gellman, an expert on privacy and information policy, expressed concern that the new data would be misused.

"The Government is creating a gigantic new database with very broad uses and very little attention paid to the protection of personal privacy," he said. "Private detectives will find a friend in the police department or a child welfare office to give them access to information in the directory of new hires. That already happens with criminal, medical and credit records."

Mr. Gellman predicted that Congress would increase the number of people authorized to use the new directory, just as it has expanded the list of officials with access to Federal tax return information over the years.

Under Federal law, state welfare and child support officials will have access to the new national directory. The Internal Revenue Service, the Social Security Administration and the Justice Department will also have access for some purposes.

A parent living with a child will be able to use the directory to get information about an absent parent who owes child support. For example, a mother with custody of a child will be able to ascertain the father's home address, the name and address of his employer and the amount of the father's income, assets and debts. Using such information, the mother may ask a local court to modify the child's support order if the father's earnings have increased.

In Missouri, child support collections rose 17 percent, to $279 million, in 1996 after the state required reporting of newly hired workers. Teresa L. Kaiser, director of the Missouri program, said, "We had a big increase in collections from 'job jumpers,' parents who want work in one place for a few months, then move to another job before we could get a wage-withholding order."

States say the reporting of new employees not only increases child support collections, but also saves money in other programs. State officials can often reduce or eliminate payments for welfare, food stamps, unemployment insurance and Medicaid after learning that the recipients of such aid have been hired.

Under Federal law, the hiring of a new employee must be reported within 20 days to state authorities, who then have 8 days to send the data to Washington. States may establish tighter deadlines for employers, and many have done so.

Collections through the Federal child support program increased last year by 50 percent, to $12 billion, from $8 billion in 1992. But nationwide, only half of the families with child support orders receive the full amount due, and millions get nothing.

Here is how the new program will work:

Employers may file information by mail or magnetic tape. States may also take the information over the telephone, by fax or through the Internet.

An employer who fails to report new employees may be fined $25 for each newly hired worker. An employer who conspires with an employee to flout the reporting requirements may be fined $500.

A multistate employer may file a report with one state listing all of its hiring across the country. Or, it may file a separate report for each new employee in the state where the person works.

The Federal Government will require only six items of information: the name, address and Social Security number of each newly hired employee, the employer's name and address and the identification number assigned to the employer by the Government.

But many states are requiring employers to file additional information, like telephone numbers, dates of birth, driver's license number and details of health insurance coverage provided to new employers.

By Mr. ALLARD (for himself and Mr. WYDEN):

S. 1224. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to ensure full Federal compliance with that Act; to the Committee on Environment and Public Works.

THE FACILITY SUPERFUND COMPLIANCE ACT OF 1997

Mr. ALLARD. Madam President, today, I am introducing, with the Senator from Oregon, RON WYDEN, legislation to ensure that Federal agencies comply with the Comprehensive Environmental Response, Compensation, and Liability Act.

This same legislation has been introduced in the House of Representatives

for several years by my home State colleague, DAN SCHAEFER. His leadership in this area has been very important.

This legislation is very important to the country, but particularly to Colorado, where we have had several problems with the Federal Government applying one standard for themselves, and a different higher standard on private parties. I think this is unfair and should be changed. I've always believed that Superfund reform would be easier if all parties were in the same bathtub with the same scrub brush.

I've tried to address Colorado's problems with EPA, but unfortunately I've had little success in getting their attention. One example I have brought to their attention was a former research institute at the Colorado School of Mines in Golden, CO. The research institute at Golden was shut down in the late 1980's after years of research had been done by the School of Mines, private entities, and several agencies of the Federal Government, including the Environmental Protection Agency [EPA].

After the site ceased doing research various environmental contaminants were found at the site and in 1992 there was an accident that resulted in the contents of a holding pond spilling into Clear Creek. While there was no contamination found in Clear Creek, the EPA had an emergency response cleanup contractor remove approximately 22,000 cubic yards of material from the pond and had it placed in a temporary stockpile. The EPA then issued a unilateral administrative order [UAO] for its disposal. Despite the fact that EPA, the Department of Energy, the Department of Defense, and the Bureau of Mines did research at the site none of them were the subject of the UAO, even though the Bureau of Mines was identified as a potentially responsible party [PRP]. Only the State of Colorado, the Colorado School of Mines, and the private parties were subject to the UAO. To put it plainly, the EPA stuck everyone but their sister agencies with a bill for millions on cleanup.

In the case of the State of Colorado, they have appropriated a total of $7.465 million for cleanup to cover their costs and the costs the Federal Government should be paying. It's my view that this money could be spent much better, or not spent at all. However, to have the State spend it because EPA won't enforce and Federal agencies won't be responsible is unacceptable. There is also another case in Colorado involving a Superfund site in Leadville. Leadville is a small town that was the home of Baby Doe Tabor and formerly was the site of a large amount of mining. While there is still some mining that occurs in Leadville, they are also beginning to rely more on tourism dollars.

Unfortunately, the city has a stigma attached to it; it is a Superfund site. All the homes are a Superfund site, all the schools are a Superfund site, all the restaurants are a Superfund site, all the businesses on the main street are a Superfund site. They've been told that because of various mounds of old tailings laying around, the entire city has to be on the national priority list. It's interesting to note though, that the safety concerns of EPA seem to stop short when it comes to Federal responsibility. This story is one of two water treatment plants, one Federal, one private. The private plant, because it's on the Superfund site was built at much greater cost than the Federal plant, which is conveniently just outside the Superfund site. This is despite the fact that the level of contamination is basically equal at both locations. While the EPA disputes this claim, the people who live in Leadville and work at the cleanup site know the difference.

In case I'm accused of relying on anecdotes for this legislation let me describe two documents that found their way into my office. Let me describe them in reverse chronological order, the first is an August 2, 1996, memorandum which subject is, "Documentation of Reason(s) for Not Issuing CERCLA 106 UAO's to All Identified PRP's." I want to quote a footnote in this document; it states that, "Pursuant to the applicable procedures, DOJ must concur with any EPA decision to issue a UAO under CERCLA section 106 to a Federal agency." So if DOJ doesn't concur EPA won't act. So it is revealing to note that a December 15, 1994, letter from a region VIII attorney stated that, "It is my understanding, however, that DOJ has never approved of the issuance of a unilateral order to a Federal agency."

By the Federal Government's own admission they will not enforce against a sister agency. Since there is no environmental "cop on the beat" for Federal agencies, the Federal Government should be relieved of their immunity against lawsuits and be treated the same as any private party. That includes having to comply with laws that elected State legislatures enact. This is what this legislation does. It is my intention to see it enacted into law as quickly as possible.

I want to thank the Senator from Oregon for joining me in this effort.

Mr. WYDEN. Madam President, in 1992, Congress enacted the Federal Facilities Compliance Act, which requires Federal facilities to obey key environmental laws including the Resource Conservation and Recovery Act and State hazardous waste laws.

However, subsequent Federal court decisions threaten to undermine the important principle that Federal Government facilities must comply with the same environmental laws that govern the private sector. In fact, one court decision that covers the Hanford Nuclear Reservation would allow Hanford to poison the water, pollute the air and contaminate the soil for decades, and be immunized for any violations that occur before the Hanford cleanup is completed sometime in the next century.

This court ruling allowed the interagency agreement among the Energy Department, the Environmental Protection Agency and the Washington Department of Ecology that governs the Hanford cleanup to be used as a shield to block an enforcement action against the Energy Department for violations of the Clean Water Act.

The Energy Department's use of interagency agreement to bar enforcement of environmental laws not only undermines the Federal Facilities Compliance Act but also puts at risk the health of citizens who live downstream or downwind from Hanford, and near other Federal facilities around the country.

Madam President, we also have a double standard here. The Superfund law only authorizes interagency agreements for Federal facilities; there is no comparable provision and no comparable immunity from enforcement for private sector sites.

Today, Senator ALLARD and I are introducing the Federal Facilities Superfund Compliance Act to put an end to this double standard. Our legislation makes clear that Federal Government facilities are subject to the same environmental cleanup laws that apply to the private sector. And they are subject to the law now, not sometime off in the future.

Under this legislation, an interagency agreement, such as the Hanford Tri-Party Agreement, can no longer be used as a means to evade other environmental requirements.

Our legislation also makes clear that if Federal facilities fail to meet their obligations, States and affected citizens will be able to enforce against the Federal Government for these violations just as they would be able to enforce against private parties for violations of environmental laws at a private sector Superfund site.

Our citizens who live in the shadow of contaminated Federal facilities should not have to wait years or decades to obtain the health and environmental protections our laws are supposed to provide. I urge all our colleagues to support this important legislation to provide citizens who live downwind or downstream from Federal facilities equal protection under our environmental laws.

By Mr. ABRAHAM (for himself, Mr. BROWNBACK, Mr. KYL, Mr. HAGEL, Mr. ALLARD, Mr. FAIRCLOTH, Mr. HUTCHINSON, Mr. NICKLES, and Mr. GRAMM):

S. 1226. A bill is dismantle the Department of Commerce; to the Committee on Governmental Affairs.

THE DEPARTMENT OF COMMERCE DISMANTLING ACT

Mr. ABRAHAM. Mr. President, for 3 years now, the Department of Commerce has been the target of critics in Congress and around the country. With the completion of the Balanced Budget Act and the tight discretionary budgets mandated by that law, I believe it is time once again to raise the question of Commerce's ongoing existence.

Is it necessary to have our Nation's weather and mapping services housed in the same department as our trade promotion activities, or would the American people be better served by smaller, tighter agencies with more clearly defined objectives? I suggest that through comprehensive restructuring we can both better serve the American people and help keep the budget within the spending targets that are now law.

Why terminate the Department of Commerce? The debate over the past 3 years has provided us with a simple answer: It's the least defensible department in a Government littered with wasteful, unnecessary departments. Its bureaucracy is bloated, its infrastructure is in disrepair, and its resources are strained to encompass numerous activities that have absolutely nothing to do with commerce or trade. Former Commerce Department officials, the General Accounting Office, and the inspector general have repeatedly testified before Congress that the Department of Commerce suffers from mismanagement, duplication, and a general lack of accountability. Confronted with this weight of evidence, I believe that the Commerce Department cannot be reinvented. Instead, the only responsible action is dismantle the Department to better serve the Congress and the American people.

Today, I am introducing a bill along with Senators BROWNBACK, KYL, FAIRCLOTH, GRAMM, NICKLES, ALLARD, HUTCHINSON, and HAGEL which targets this waste and duplication. It transfers those functions that can be better served elsewhere, consolidates duplicative agencies, and eliminates the remaining unnecessary or wasteful programs. Preliminary estimates indicate the bill will save about $2.5 billion over the next 5 years. How does it achieve these savings?

First, it eliminates unnecessary, duplicative and wasteful programs such as the Minority Business Development Agency, the U.S. Travel and Tourism Administration, the Technology Administration, and the National Telecommunications and Information Administration.

Second, it takes NOAA—which comprises the lion's share of the Department's activities—out from under the Department umbrella. Many of the functions under NOAA, including the Nation's weather service, are vital activities that all observers agree should be carried on. As an independent agency, NOAA will have the opportunity to focus on these core functions, free to achieve the savings necessary to fulfill its responsibilities.

Third, it rationalizes U.S. trade policy by consolidating the International Trade Administration, the Bureau of Export Administration, and the Office of the U.S. Trade Representative within the U.S. Trade Administration. Currently, 19 Federal agencies are charged with promoting trade, but only 8 percent of total Federal spending on trade promotion is directed by Commerce. The bill before us takes a dramatic step toward consolidating our existing trade activities, achieving the administrative savings necessary to rationalize our trade promotion efforts and make them more effective.

Finally, the bill establishes a new Federal Statistical Service by combining the Bureau of the Census and the Bureau of Economic Analysis with the Bureau of Labor Statistics from the Department of Labor. It also creates within the service a Federal Council on Statistical Policy to advise the service and Congress on statistical issues. Once again, the goal is to consolidate functions of the Federal Government that have been dispersed across the Federal Government. It's a more rational, efficient means of accomplishing these tasks.

Mr. President, some have argued that this effort will handicap American businesses by depriving them of their chief advocate in Washington. That's nonsense. Businessmen and women across this country understand what's necessary to promote economic growth and jobs—and it's not another Government handout.

As Jim Barrett, president of the Michigan Chamber of Commerce stated: "Of all the priorities that the Congress can set to assist Michigan business, keeping the Commerce Department is not even on the radar screen. * * * A balanced budget with lower interest rates will do much more than the Department of Commerce as it is presently structured ever could."

A poll conducted by the Greater Detroit Chamber of Commerce indicates Mr. Barrett wasn't just speaking for himself. Forty-seven percent of those polled support eliminating the Department of Commerce—while only 6 percent were opposed. That is a ratio of almost 8 to 1 in favor of eliminating the Department of Commerce.

The lesson of the Commerce Department is simple. Absent clearly defined responsibilities and goals, the Department has become the resting place for the odds and ends of the Federal Government. In the process, it has provided shelter for numerous programs that do not serve the American people well.

This legislation targets those programs, unburdening the taxpayer from being forced to continue their subsidy, while freeing the more worthy programs to better accomplish their jobs. This legislation is an exercise in good government, and I hope my colleagues will support it.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE DEPARTMENT OF COMMERCE DISMANTLING ACT—HIGHLIGHTS

Terminates unnecessary department agencies: Eliminates the Technology Administration, the Minority Business Development Administration, the National Telecommunications and Information Administration, and the Economic Development Administration.

Eliminates wasteful department programs: Eliminates the Office of Technology Policy, the Advanced Technology Program, the Manufacturing Extension Partnership Program, the Federal Laboratory Consortium for Technology Transfer, the Metric Program, the NOAA Corps, the NOAA Fleet, grant programs under the National Telecommunications and Information Administration, and ocean and atmospheric grant programs.

Consolidates trade functions: Rationalizes U.S. trade policy by consolidating the International Trade Administration, the Bureau of Export Administration, the Office of the United States Trade Representative, and spectrum management within the United States Trade Administration.

Consolidates oceanographic, atmospheric and scientific functions within a newly independent National Oceanic and Atmospheric Administration: Consolidates the National Oceanic and Atmospheric Administration, the National Bureau of Standards (formerly the National Institute of Standards and Technology), spectrum research and analysis functions of the National Telecommunications and Information Administration, and the Office of Space Commerce. Core functions of NOAA, such as fisheries management and the National Weather Service, are preserved.

Consolidates statistical functions: Establishes a new Federal Statistical Service by combining the Bureau of the Census and the Bureau of Economic Analysis with the Bureau of Labor Statistics from the Department of Labor. Also creates within the Service a Federal Council on Statistical Policy to advise the Service and Congress on statistical issues.

Corporatizes the Patent and Trademark Office: Establishes a fee-funded, wholly owned government corporation, based on legislation reported out of the Senate Judiciary Committee this year.

SUMMARY

The terminations, transfers and consolidations called for by this bill are to be completed over a thirty-six month period under the direction of the Office of Management and Budget.

Administrative functions

The office of the Secretary, General Counsel, Inspector General, and other administrative functions are terminated six months after enactment of this bill.

Economic Development Administration

The EDA provides grants and assistance to loosely-defined "economically depressed" regions. EDA's functions are duplicated by numerous other federal agencies including the

Departments of Agriculture, HUD, and Interior, the Small Business Administration, the Tennessee Valley Authority and the Appalachian Regional Commission. The parochial nature of the program often targets EDA grants to locations with healthy economies which do not need federal assistance. The EDA is terminated within this bill.

National Technical Information Service

The National Technical Information Service is transferred to the Office of Budget and Management for privatization. If an appropriate arrangement for the privatization of functions of the NTIS is not made within 18 months, then the Service is transferred to the National Oceanic and Atmospheric Administration and OMB is directed to provide legislation to Congress that would transform NTIS into a government-owned corporation.

Bureaus of the Census and economic analysis

The Census Bureau and the Bureau of Economic Analysis would be transferred, along with the Bureau of Labor Statistics to the newly created Federal Statistical Service, beginning the process of consolidating the federal government's statistical functions. The bill then requires the President to study and propose legislation to further the consolidation of these functions.

Minority Business Development Agency

Although MBDA has spent hundreds of millions on management assistance—not capital assistance—since 1971, the program has never been formally authorized by Congress. The MBDA's stated mission, to help minority-owned businesses get government contracts, is duplicated by such agencies and programs as the Small Business Administration, and Small Business Development Centers, along with the private sector. The MBDA would be terminated.

Technology Administration

The Technology Administration currently works with industry to promote the use and development of new technology. The federal government is poorly equipped to "pick winners and losers" in the marketplace. This agency is terminated, including the Offices of Technology Policy, Technology Commercialization, and Technology Evaluation and Assessment.

National Institute of Standards and Technology

The National Institute of Standards and Technology is redesignated as the National Bureau of Standards and transferred to the newly independent NOAA. The Advanced Technology Program (ATP) and the Manufacturing Extension Partnerships are terminated; these programs are often cited as prime examples of corporate welfare, wherein the federal government invests in applied research and product development programs which should be conducted in the private sector.

National Telecommunications and Information Administration

The NTIA, an advisory body on national telecommunications policy, would be terminated, including its grant programs. Federal spectrum research and analysis functions would be transferred to the National Bureau of Standards while federal spectrum management functions would be made an independent arm of the Federal Communications Commission. Finally, NTIA's laboratories would be moved to the OMB for privatization. If a suitable arrangement is not made within 18 months, they would be moved to NOAA.

Patent and Trademark Office

Providing for patents and trademarks is a constitutionally-mandated government function. This bill would establish the PTO as a government-owned corporation and require the PTO to be supported completely through fee collection. This text is the same as S. 507 reported by the Senate Committee on the Judiciary earlier this year.

National Oceanic and Atmospheric Administration

The bill establishes the National Oceanic and Atmospheric Administration as an independent agency. Consolidated within the newly independent National Oceanic and Atmospheric Administration are the National Bureau of Standards (formerly the National Institute of Standards and Technology), spectrum research and analysis functions of the National Telecommunications and Information Administration, and the Office of Space Commerce.

Core functions of NOAA, such as fisheries management and the National Weather Service, are preserved, while outdated programs like the NOAA Corps, NOAA Fleet, and 30 other atmospheric programs are terminated.

United States Trade Administration

The Department of Commerce claims to be the lead in U.S. Trade policy, but actually only plays a small part. Five percent of Commerce's budget is dedicated to trade promotion, and it comprises only 8 percent of total federal spending on trade promotion. Furthermore, nineteen different federal agencies have trade responsibilities.

Our legislation would begin the process of consolidating and rationalizing federal trade policy by combining the Bureau of Export Administration, the International Trade Administration, and the United States Trade Representative under the same roof, the United States Trade Administration. The U.S. Trade Representative would retain its current Cabinet and Ambassador status.

In an additional attempt to make our trade policies more coherent, the USTR would serve as a member of the Board of Directors of the Export-Import Bank and the Overseas Private Investment Corporation. Finally, the bill requires the President to transmit a plan to Congress to consolidate other federal export promotion activities and export financing activities and how to transfer those functions to the USTA.

Mr. HAGEL. Mr. President, I rise today in support of the Department of Commerce Dismantling Act as an original cosponsor. This legislation continues the battle to do away with unneeded government and wasteful spending. Over a 3-year period the Department of Commerce would be dismantled. Certain programs would be transferred or consolidated into agencies or departments that are better suited to handle them. Other programs and agencies would be terminated altogether. Unnecessary agencies and several tiers of bureaucracy would be eliminated. According to the Congressional Budget Office, the abolishment of the Department of Commerce would save taxpayers more than $2 billion over 4 years. I commend Senator BROWNBACK for his leadership in crafting this legislation to abolish the Department of Commerce.

Today the Department of Commerce is a 31,000 person department costing American taxpayers $4 billion annually. Sixty of these employees have the rank of deputy assistant secretary or higher and have annual salaries of at least $96,000 each.

During my campaign, I ran on the ideals of less government, lower taxes, fewer Federal regulations and more personal responsibility. To obtain such goals, I called for the abolishment of four Federal departments including the Departments of Commerce, and Energy. Earlier this year I signed on as an original cosponsor to legislation to abolish the Department of Energy, sponsored by Senator ROD GRAMS.

The Department of Commerce, as we know it today, was created in 1913 during the Woodrow Wilson administration to help promote American businesses around the world. Today, only 5 percent of the Department's nearly $4 billion budget is dedicated to trade promotion. By comparison $2 billion is spent annually out of the Department's budget on the National Oceanic and Atmospheric Administration. Additionally, there are 19 other Federal agencies that hold some jurisdiction over trade. Trade is now a small part of the Department of Commerce.

America's future lies in trade, but the Department of Commerce's bureaucracy is a relic of the past. This legislation attempts to correct that by consolidating trade functions under a single agency, the United States Trade Administration, and eliminating the waste, bureaucracy, and duplication we have today in the Department of Commerce.

The time has come to abolish the Department of Commerce. We cannot continue to waste tax payers' dollars on outdated inefficient, and redundant programs. Taxpayers deserve better.

Mr. BROWNBACK. Mr. President, I rise today to join Senator ABRAHAM in introducing the Department of Commerce Dismantling Act. This legislation was completed after months of research and hearings in which we investigated the many costly structural, managerial, and programmatic problems confronting the Department. We have concluded that these problems are so severe and systemic that the department cannot be reinvented. To provide American taxpayers with the services they require at the level of efficiency and quality they demand, the Department of Commerce must be dismantled.

The Department of Commerce is a hodgepodge of unrelated functions and missions ranging from antidumping investigations to zebra mussel research. It is comprised of 11 unrelated agencies, overseeing more than 100 programs, catering to more than 1,000 customer bases, and overlapping the work of 71 other Government offices and agencies. This entire agglomeration is unmanageable, and diminishes the quality of those Commerce functions which must be provided by the Federal Government.

For example, historically, Secretaries of Commerce have focused their

attention almost exclusively on the Department's trade functions. However, trade activities only account for 8 percent of the Department's budget, and Commerce accounts for less than 6 percent of total Federal spending on trade. Commerce is just one of 19 Federal agencies involved in trade issues, and isn't even regarded as the lead trade agency—the Office of the U.S. Trade Representative is.

However, while Secretaries of Commerce travel abroad on foreign trade missions, serious management problems have languished at Commerce headquarters. For example, in 1992 the General Accounting Office indicated that the National Weather Service modernization program and the Decennial Census—two important functions—were both experiencing severe management failures. Today, 5 years later, both of these programs remain on GAO's list of high-risk government management problems. This year, before the Governmental Affairs Committee, Subcommittee on Government Management, which I chair, the Department of Commerce's inspector general testified "I think it is fair to say that there is little Departmental leadership or oversight in key administrative areas."

Mr. President, in part as a result of this lack of leadership, the Department has also initiated or continued to perform functions which are not just mismanaged, but are unnecessary. In fact, in many instances, the Department which professes to be the advocate for America's business has gone into competition with them. In testimony before the Subcommittee on Government Management, representatives from the private mapping, weather forecasting and venture capital industries stated that the Department of Commerce routinely competes with companies in their fields. Because taxpayers unknowingly subsidize the Departments commercial ventures, Commerce is a formidable competitor for small businesses. By going into business, Commerce also misuses taxpayer resources that should be devoted to truly governmental functions.

Other functions performed in the Department of Commerce are just a waste of taxpayer dollars. For example, the Advanced Technology Program provides handouts to America's largest and wealthiest corporations to do product development research. This program is corporate welfare, plain and simple, and should be terminated. The Economic Development Administration duplicates the efforts of dozens of other economic development programs around the Federal Government.

And finally, the Department of Commerce has become entirely too politicized. Most employees at Commerce are dedicated public servants. However, too many of their leaders obtained their jobs when political connections prevailed over the public good.

The Department of Commerce began in 1902 and has evolved over the past 94 years into an agency which has no clear mission or responsibility, and is too unmanageable to reform. I believe the Department of Commerce Dismantling Act is the next necessary step in that evolution. The Commerce Department Dismantling Act would retain the important functions which are performed in Commerce, it consolidates many important functions with those performed elsewhere in the Federal Government, and it eliminates the waste. I urge my colleagues to support this measure.

By Mr. CHAFEE (for himself and Mr. D'AMATO):

S. 1228. A bill to provide for a 10-year circulating commemorative coin program to commemorate each of the 50 States, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

THE 50 STATES COMMEMORATIVE COIN PROGRAM ACT

Mr. CHAFEE. Mr. President, I am delighted to introduce legislation with Senator D'AMATO, chairman of the Banking Committee, to create a circulating commemorative quarter representing each of the 50 states. Last year, legislation was enacted which instructed the Secretary of the Treasury to study the feasibility of a circulating commemorative coin. That study found that there is considerable public interest in the circulating commemorative quarter and that collecting such coins would produce significant earnings. The bill that I am introducing today will implement this program. Identical legislation has been introduced in the House.

As we all know, the circulating quarters in use today are Washington/Eagle quarters, that is they have a bust of George Washington on one side and an eagle on the reverse side. Under this legislation, beginning in 1999, the Mint would strike only statehood quarters until all 50 states were represented. Only the design on the back of quarters would change. There would be no changes whatsoever to the physical size, weight, or other specifications of quarters. This uniformity is necessary to ensure that these new quarters will continue to work in vending machines, telephones, parking meters, and for other similar transactions.

This program would operate for 10 years, with the Mint producing five different statehood coins per year. The order in which States will be represented is based on the order in which States ratified the Constitution and joined the Union. If a new state joins the Union during the life of the program, it will be extended in order to ensure that the new State is represented.

The design for each State will be selected by the Secretary of the Treasury in consultation with the Governor, the Commission on Fine Arts, and the Citizens Commemorative Coin Advisory Committee. Each State will nominate a design to the Secretary.

It is my hope that this proposal will spark interest in every State across our Nation. I hope that school children begin to study the history of their States in search of an appropriate individual or emblem to represent their States on the reverse side of these quarters. I hope that artists, coin collectors, historians, and scholars debate and ultimately join together to suggest an appropriate representation for their State.

I know that there are a wide range of appealing options for my own State of Rhode Island. Of course there is the founder of Rhode Island, Roger Williams or Anne Hutchinson, who, like Roger Williams, dedicated her life to the principle of religious freedom and tolerance. There is the Anchor of Hope, which is our State motto and is represented on our flag. Rhode Island is the Ocean State, so a seascape would be an interesting proposal, as would be a lighthouse or a gull.

I am delighted to have Senator D'AMATO's support in introducing this bill. I am sure that he agrees that the point of this new program is to honor all 50 States, and to encourage an interest in the unique history of each State. This program creates a program through which we can celebrate our diverse heritage.

I send a bill to the desk and ask for its appropriate referral.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1228

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "50 States Commemorative Coin Program Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) it is appropriate and timely—

(A) to honor the unique Federal republic of 50 States that comprise the United States; and

(B) to promote the diffusion of knowledge among the youth of the United States about the individual States, their history and geography, and the rich diversity of the national heritage;

(2) the circulating coinage of the United States has not been modernized during the 25-year period preceding the date of enactment of this Act;

(3) a circulating commemorative 25-cent coin program could produce earnings of $110,000,000 from the sale of silver proof coins and sets over the 10-year period of issuance, and would produce indirect earnings of an estimated $2,600,000,000 to $5,100,000,000 to the United States Treasury, money that will replace borrowing to fund the national debt to at least that extent; and

(4) it is appropriate to launch a commemorative circulating coin program that encourages young people and their families to collect memorable tokens of all of the States for the face value of the coins.

SEC. 3. ISSUANCE OF REDESIGNED QUARTER DOLLARS OVER 10-YEAR PERIOD COMMEMORATING EACH OF THE 50 STATES.

Section 5112 of title 31, United States Code, is amended by inserting after subsection (k) the following new subsection:

"(l) REDESIGN AND ISSUANCE OF QUARTER DOLLAR IN COMMEMORATION OF EACH OF THE 50 STATES.—

"(1) REDESIGN BEGINNING IN 1999.—

"(A) IN GENERAL.—Notwithstanding the fourth sentence of subsection (d)(1) and subsection (d)(2), quarter dollar coins issued during the 10-year period beginning in 1999, shall have designs on the reverse side selected in accordance with this subsection which are emblematic of the 50 States.

"(B) TRANSITION PROVISION.—Notwithstanding subparagraph (A), the Secretary may continue to mint and issue quarter dollars in 1999 which bear the design in effect before the redesign required under this subsection and an inscription of the year '1998' as required to ensure a smooth transition into the 10-year program under this subsection.

"(2) SINGLE STATE DESIGNS.—The design on the reverse side of each quarter dollar issued during the 10-year period referred to in paragraph (1) shall be emblematic of 1 of the 50 States.

"(3) ISSUANCE OF COINS COMMEMORATING 5 STATES DURING EACH OF THE 10 YEARS.—

"(A) IN GENERAL.—The designs for the quarter dollar coins issued during each year of the 10-year period referred to in paragraph (1) shall be emblematic of 5 States selected in the order in which such States ratified the Constitution of the United States or were admitted into the Union, as the case may be.

"(B) NUMBER OF EACH OF 5 COIN DESIGNS IN EACH YEAR.—Of the quarter dollar coins issued during each year of the 10-year period referred to in paragraph (1), the Secretary of the Treasury shall prescribe, on the basis of such factors as the Secretary determines to be appropriate, the number of quarter dollars which shall be issued with each of the 5 designs selected for such year.

"(4) SELECTION OF DESIGN.—

"(A) IN GENERAL.—Each of the 50 designs required under this subsection for quarter dollars shall be—

"(i) selected by the Secretary after consultation with—

"(I) the Governor of the State being commemorated, or such other State officials or group as the State may designate for such purpose; and

"(II) the Commission of Fine Arts; and

"(ii) reviewed by the Citizens Commemorative Coin Advisory Committee.

"(B) SELECTION AND APPROVAL PROCESS.—Designs for quarter dollars may be submitted in accordance with the design selection and approval process developed by the Secretary is the sole discretion of the Secretary.

"(C) PARTICIPATION.—The Secretary may include participation by State officials, artists from the States, engravers of the United States Mint, and members of the general public.

"(D) STANDARDS.—Because it is important that the Nation's coinage and currency bear dignified designs of which the citizens of the United States can be proud, the Secretary shall not select any frivolous or inappropriate design for any quarter dollar minted under this subsection.

"(E) PROHIBITION ON CERTAIN REPRESENTATIONS.—No head and shoulders portrait or bust of any person, living or dead, and no portrait of a living person may be included in the design of any quarter dollar under this subsection.

"(5) TREATMENT AS NUMISMATIC ITEMS.—For purposes of sections 5134 and 5136, all coins minted under this subsection shall be considered to be numismatic items.

"(6) ISSUANCE.—

"(A) QUALITY OF COINS.—The Secretary may mint and issue such number of quarter dollars of each design selected under paragraph (4) in uncirculated and proof qualities as the Secretary determines to be appropriate.

"(B) SILVER COINS.—Notwithstanding subsection (b), the Secretary may mint and issue such number of quarter dollars of each design selected under paragraph (4) as the Secretary determines to be appropriate, with a content of 90 percent silver and 10 percent copper.

"(C) SOURCES OF BULLION.—The Secretary shall obtain silver for minting coins under subparagraph (B) from available resources, including stockpiles established under the Strategic and Critical Materials Stock Piling Act.

"(7) APPLICATION IN EVENT OF THE ADMISSION OF ADDITIONAL STATES.—If any additional State is admitted into the Union before the end of the 10-year period referred to in paragraph (1), the Secretary of the Treasury may issue quarter dollar coins, in accordance with this subsection, with a design which is emblematic of such State during any 1 year of such 10-year period, in addition to the quarter dollar coins issued during such year in accordance with paragraph (3)(A).".

Mr. D'AMATO. Mr. President, today I join my colleague from Rhode Island, Senator CHAFEE, to introduce a bill which will authorize the 50 States Circulating Commemorative Coin Program.

This program, which allows for a temporary change to the reverse side of our quarters starting in the year 1999, has my complete and enthusiastic support.

Mr. President, I feel it is appropriate as we enter the new millennium to embark on a decade-long celebration honoring each of our 50 States in the order in which they ratified the Constitution and joined the Union. All States shall submit, for final selection by the Secretary of the Treasury, a design befitting the motto or symbol of each State.

The benefits of this program in promoting State pride on a national level and educating our citizens about our States' unique character and history are substantial.

In the year 1999, our Nation will be 223 years old. Before our next big celebration marking the tricentennial in the year 2076, we should take time to commemorate the attributes of every State in this Union.

Through this circulating coin program, we will be giving American youth an opportunity to cultivate an interest in the rich history that formed these United States. These coins will provide our teachers with a tangible tool to instill this interest.

The educational advantage for our children will not only be achieved in classrooms, but on playgrounds and in homes around the Nation.

In addition, Mr. President, I feel that the excitement and anticipation of the different coins in this program will also capture the interest of adults. Just imagine, receiving a collectible memento when you are handed your change.

And may I point out, Mr. President, while the entire set of 50 circulating quarters will cost only $12.50, this very affordable collection will generate a minimum of $2.6 billion and conceivably as much as $5 billion in additional earnings for the Treasury. These off-budget earnings will be applied directly to reduce borrowing to fund the national debt.

Mr. President, I would like to take this opportunity to thank my colleague, Congressman MICHAEL CASTLE, who has worked tirelessly to promote this great program. Identical legislation MIKE CASTLE sponsored passed the House on a record vote of 413 to 6. I am pleased that his efforts to create this commemorative coin are about to be realized. His outstanding leadership and dedication on this matter has been an inspiration to all who have committed their support.

As chairman of the Banking Committee, I intend to press for prompt passage of this broadly supported bill and I am pleased to be a cosponsor.

By Mr. CAMPBELL:

S. 1229. A bill to provide for the conduct of a clinical trial concerning digital mammography; to the Committee on Labor and Human Resources.

THE DIGITAL MAMMOGRAPHY CLINICAL TRIAL CONDUCT ACT OF 1997

Mr. CAMPBELL. Mr. President, today I am introducing a bill that will provide for a much needed clinical trial for the benefit of women's health. My bill would provide $20 million to the Nation's Office of Women's Health to conduct a large-scale clinical trial of digital mammography, involving 50,000 women and 20 sites, which could yield hard data in as little as a year regarding the potential of this technology.

Digital mammography is our best bet for bringing the fight against breast cancer into the 21st century. This technology could answer the question of what age a woman should begin seeking annual mammograms. It could prevent unnecessary biopsies, as well as catch the countless breast masses undetected by conventional mammography. Dr. Martin Yaffe, a senior cancer-imaging researcher from Canada, is quoted in the Wall Street Journal of March 20, 1997, as drawing this comparison, "Using a conventional x ray mammography to find a tumor in dense breast tissue is like trying to find a

cotton ball in a cloud. Digital technology allows us to improve the quality of the image and avoid missing the cancer."

While conventional mammography invokes the usual procedure for x rays, which views the film of a breast image on a light box, digital mammography takes advantage of an advanced x ray source for digital image capture, allowing image enhancement, feature recognition, and the ability to adjust the display contrast to highlight shadows and otherwise undetected signs of breast cancer. Mammography is the only means for detecting breast microcalcifications, typically the earliest indicator of nonpalpable breast cancers.

Many of my Senate colleagues have taken a personal and avid interest in combating breast cancer. With good reason. More than 40,000 women will lose their battle with breast cancer this year alone, while another 2.6 million will continue to live with the disease. Further, the rate of diagnosis has been steadily increasing for the last 50 years. For women aged 40 to 45, breast cancer is the leading cause of death. Given these staggering statistics and the fact that women are literally defenseless against this disease, it is imperative that we do everything possible to promote early detection and treatment.

On June 3 of this year, 62 U.S. Senators sent a letter to the Appropriations Committee, urging funding for the Department of Defense Peer Reviewed Breast Cancer Research Program. This program is world renowned and responsible for many of the most important advances in breast cancer research. It has even facilitated several small-scale trials in digital mammography.

However, this program has, to date, proven unable to conduct a large-scale clinical trial of digital mammography. And yet, it is only a large-scale trial that can determine definitively the efficacy of this technology in saving women's lives. There are two bottom lines here. First, the trial would tell women at what age and with what frequency they should receive mammograms. Second, the trial would provide the Health Care Financing Administration with the data it needs to set a reasonable and appropriate cost for a digital mammography. We are all familiar with the role HCFA plays in setting not just rates of reimbursement but standards for reimbursement of healthcare services; the private sector takes its lead from HCFA. Once HCFA acts to make digital mammographies available to women, private pay insurers will follow suit. Therefore, in the interest of public health, the onus is on us to move these trials forward.

The NIH has an appropriation from the Senate for next year that reflects almost a billion dollar boost. Rightly so. But despite that, the National Cancer Institute simply does not have the resources to fund a clinical trial of this size. Grant dollars are still scarce relative to the number of compelling grant applications. The reality that NCI is simply unable to dedicate the necessary resources to conduct a large-scale trial of digital mammography is unfortunate yet understandable. The Senate is aware of this dilemma, and shares the frustration of the Nation's breast cancer victims. In explaining its fiscal year 1998 allocation for the National Cancer Institute, the Appropriations Committee report for Labor, Health and Human Services and Education noted that "the national investment in cancer research remains the key to bringing down spiraling heath care costs, as treatment, cures, and prevention remain much cheaper than chronic and catastrophic diseases, like cancer."

As Congress is well aware, the financial cost of breast cancer is indeed staggering. We spend over $5 billion annually on healthcare for women fighting breast cancer, a figure that is matched in the cost of lost productivity to our overall economy. Further, the human cost of this disease is felt tenfold by the families and communities whose lives it touches.

I realize this bill breaks with convention, to a certain degree. I am not assuming a level of scientific expertise that supplants that of the true experts at NIH. I am a firm believer in letting science drive where our research dollars are spent. However, I am willing to force the issue for the sake of women's health. We have available to us cutting edge technology that could yield us a remarkable return in the form of women's lives. My bill provides a modest sum to ensure that a large-scale clinical trial of digital mammography does not go unfunded any longer.

By Mr. CRAIG:

S. 1230. A bill to amend the Small Reclamation Projects of 1956 to provide for Federal cooperation in non-Federal reclamation projects and for participation by non-Federal agencies in Federal projects; to the Committee on Energy and Natural Resources.

THE SMALL RECLAMATION PROJECTS ACT OF 1956

Mr. CRAIG. Mr. President. I send to the desk for appropriate reference a measure to expand the use and availability of the Small Reclamation Projects Act of 1956.

The Small Reclamation Projects Act has provided important benefits throughout the Reclamation West in the 40 years since it was first established. Over the past several years there have been various discussions on ways to expand the benefits of the program. Last Congress I introduced two measures that included some of the suggestions that have been made. Neither of the measures would have affected ongoing projects.

One of the measures, S. 1564, dealt with financing. At the present time, the Secretary is limited to grants and loans to fulfill the objectives of the act. That legislation would have expanded the authority of the Secretary to include the use of loan guarantees as a way of stretching the limited federal resources. The other measure, S. 1565, revised existing law to expand the purposes for which assistance can be received from the Federal Government. Irrigation would have remained an authorized purpose, but it would no longer be a required component. The purposes would now include the augmentation and management of local water supplies, conservation of water and energy, fish and wildlife conservation, supplemental water for existing supplies, water quality improvements, and flood control. The legislation would have limited the application of interest on any loans to those features which are currently reimbursable with interest under reclamation law.

On September 5, 1996, I conducted a hearing on these, and several other reclamation measures, as chairman of the Subcommittee on Forests and Public Land Management. Based on the comments that I received at the hearing, and subsequent conversations that I have had with individuals and groups interested in the potential of the Small Reclamation Program, I have combined the two measures and made several changes in the sustance. I am introducing the measure today and plan to request that the Subcommittee on Water and Power of the Committee on Energy and Natural Resources add this measure to its scheduled hearing on October 7, 1997.

Mr. President, I sincerely hope that once the administration has the opportunity to read this measure and reflect on our hearing last year, they will change their minds and support this legislation. Quite frankly, I do not understand the reasons for the almost knee-jerk opposition of the administration to this proposal or their persistent efforts to terminate not only the Small Reclamation Project Act, but programs such as the Rehabilitation and Betterment loan activity. An administration that trumpets its concern for the environment should understand that one of the best ways of providing additional water supplies for instream uses, as well as for additional consumptive uses, is to repair old leaky systems. It may simple be that these programs either directly or indirectly help farmers, but I would submit, Mr. President, that they also benefit the environment and the economy.

By Mr. FRIST (for himself, Mr. MCCAIN, Mr. HOLLINGS, and Mr. ROCKEFELLER):

S. 1231. A bill to authorize appropriations for fiscal years 1998 and 1999 for the United States Fire Administration,

and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE U.S. FIRE ADMINISTRATION AUTHORIZATION FOR FISCAL YEARS 1998 AND 1999

Mr. FRIST. Mr. President, I rise to introduce the authorization bill for the U.S. Fire Administration for fiscal years 1998 and 1999. I would like to thank the cosponsors of this bill, Senator MCCAIN, Senator HOLLINGS, and Senator ROCKEFELLER, for their hard work and dedication to making this bill a possibility.

The mission of the U.S. Fire Administration is to enhance the Nation's fire prevention and control activities and thereby significantly reduce the Nation's loss of life from fire while also achieving a reduction in property loss and nonfatal injury due to fire.

The bill, which authorizes the Fire Administration for $29.6 million in fiscal year 1998 and $30.5 million for fiscal year 1999, provides for collection, analysis, and dissemination of fire incidence and loss data; development and dissemination of public fire education materials; development and dissemination of better hazardous materials response information for first responders; and support for research and development for fire safety technologies.

With this authorization, our local and State firefighters will continue to have assess to the training from the National Fire Academy necessary to allow them to better perform their jobs of saving lives and protecting property.

Additionally, a number of amendments have been proposed to the legislation that established the National Fallen Firefighters Foundation. The Foundation was created by Congress in 1992 to assist their families. These proposed amendments offer some major changes to the structure of the Foundation. In order to allow for a more thorough evaluation of the issues surrounding these amendments, we plan to continue our review of these changes along with an examination of the Foundation's relationships with the U.S. Fire Administration and the Federal Emergency Management Agency next year.

Therefore, I along with my cosponsors, urge the Members of this body to support this bill and allow the U.S. Fire Administration to continue the fine job it has been performing for so many years.

I ask unanimous consent that the full text of this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1231

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "United States Fire Administration Authorization Act for Fiscal Years 1998 and 1999".

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

Section 17(g)(1) of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2216(g)(1)) is amended—

(1) by striking "and" at the end of subparagraph (E);

(2) by striking the period at the end of subparagraph (F) and inserting a semicolon; and

(3) by adding at the end the following:

"(G) $29,664,000 for the fiscal year ending September 30, 1998; and

"(H) $30,554,000 for the fiscal year ending September 30, 1999.".

SEC. 3. SUCCESSOR FIRE SAFETY STANDARDS.

The Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2201 et seq.) is amended—

(1) in section 29(a)(1), by inserting "or any successor standard to that standard" after "Association Standard 74";

(2) in section 29(a)(2), by inserting ", or any successor standard to that standard" before ", whichever is appropriate,";

(3) in section 29(b)(2), by inserting ", or any successor standard to that standard" after "Association Standard 13 or 13-R";

(4) in section 31(c)(2)(B)(i), by inserting "or any successor standard to that standard" after "Life Safety Code)"; and

(5) in section 31(c)(2)(B)(ii), by inserting "or any successor standard to that standard" after "Association Standard 101".

SEC. 4. TERMINATION OR PRIVATIZATION OF FUNCTIONS.

(a) IN GENERAL.—Not later than 60 days before the termination or transfer to a private sector person or entity of any significant function of the United States Fire Administration, as described in subsection (b), the Administrator of the United States Fire Administration shall transmit to Congress a report providing notice of that termination or transfer.

(b) COVERED TERMINATIONS AND TRANSFERS.—For purposes of subsection (a), a termination or transfer to a person or entity described in that subsection shall be considered to be a termination or transfer of a significant function of the United States Fire Administration if the termination or transfer—

(1) relates to a function of the Administration that requires the expenditure of more than 5 percent of the total amount of funds made available by appropriations to the Administration; or

(2) involves the termination of more than 5 percent of the employees of the Administration.

SEC. 5. NOTICE.

(a) MAJOR REORGANIZATION DEFINED.—With respect to the United States Fire Administration, the term "major reorganization" means any reorganization of the Administration that involves the reassignment of more than 25 percent of the employees of the Administration.

(b) NOTICE OF REPROGRAMMING.—If any funds appropriated pursuant to the amendments made by this Act are subject to a reprogramming action that requires notice to be provided to the Committees on Appropriations of the Senate and the House of Representatives, notice of that action shall concurrently be provided to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives.

(c) NOTICE OF REORGANIZATION.—Not later than 15 days before any major reorganization of any program, project, or activity of the United States Fire Administration, the Administrator of the United States Fire Administration shall provide notice to the Committees on Science and Appropriations of the House of Representatives and the Committees on Commerce, Science, and Transportation and Appropriations of the Senate.

SEC. 6. SENSE OF CONGRESS ON THE YEAR 2000 PROBLEM.

With the year 2000 rapidly approaching, it is the sense of Congress that the Administrator of the United States Fire Administration should—

(1) give high priority to correcting all 2-digit date-related problems in the computer systems of the United States Fire Administration to ensure that those systems continue to operate effectively in the year 2000 and in subsequent years;

(2) as soon as practicable after the date of enactment of this Act, assess the extent of the risk to the operations of the United States Fire Administration posed by the problems referred to in paragraph (1), and plan and budget for achieving compliance for all of the mission-critical systems of the system by the year 2000; and

(3) develop contingency plans for those systems that the United States Fire Administration is unable to correct by the year 2000.

SEC. 7. ENHANCEMENT OF SCIENCE AND MATHEMATICS PROGRAMS.

(a) DEFINITIONS.—In this section:

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of the United States Fire Administration.

(2) EDUCATIONALLY USEFUL FEDERAL EQUIPMENT.—The term "educationally useful Federal equipment" means computers and related peripheral tools and research equipment that is appropriate for use in schools.

(3) SCHOOL.—The term "school" means a public or private educational institution that serves any of the grades of kindergarten through grade 12.

(b) SENSE OF CONGRESS.—

(1) IN GENERAL.—It is the sense of Congress that the Administrator should, to the greatest extent practicable and in a manner consistent with applicable Federal law (including Executive Order No. 12999), donate educationally useful Federal equipment to schools in order to enhance the science and mathematics programs of those schools.

(2) REPORTS.—

(A) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Administrator shall prepare and submit to the President a report that meets the requirements of this paragraph. The President shall submit that report to Congress at the same time as the President submits a budget request to Congress under section 1105(a) of title 31, United States Code.

(B) CONTENTS OF REPORT.—The report prepared by the Administrator under this paragraph shall describe any donations of educationally useful Federal equipment to schools made during the period covered by the report.

SEC. 8. REPORT TO CONGRESS.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Administrator of the United States Fire Administration (referred to in this section as the "Administrator") shall prepare and submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives a report that meets the requirements of this section.

(b) CONTENTS OF REPORT.—The report under this section shall—

(1) examine the risks to firefighters in suppressing fires caused by burning tires;

(2) address any risks that are uniquely attributable to fires described in paragraph (1), including any risks relating to—

(A) exposure to toxic substances (as that term is defined by the Administrator);

(B) personal protection;

(C) the duration of those fires; and

(D) site hazards associated with those fires;

(3) identify any special training that may be necessary for firefighters to suppress those fires; and

(4) assess how the training referred to in paragraph (3) may be provided by the United States Fire Administration.

Mr. MCCAIN. Mr. President, I rise in support of Senator FRIST's authorization bill for the U.S. Fire Administration for fiscal years 1997 and 1998. I would also like to thank the additional cosponsors, Senator HOLLINGS and Senator ROCKEFELLER, for their support of this very important legislation.

As chairman of the Commerce, Science and Transportation Committee, I am very pleased to see that the bill represents the bipartisan support that is so necessary to move this and other science and technology bills before the committee. It would be my hope that this bipartisan support would be continued for the many actions before this body, the U.S. Senate.

The United States has one of the highest fire death rates in the industrialized world. Fires account for approximately 4,500 deaths and 30,000 injuries annually. The extent of this problem covers all sectors of society and costs American taxpayers approximately $50 billion per year.

With these huge losses, the work of the U.S. Fire Administration plays a key role in reducing these numbers. Their work with the firefighters, those who are on the front lines in fighting these problems, should be commended. Their efforts in collecting data and other relevant information play a key role in the prevention of future fires.

The U.S. Fire Administration should continue to educate the public against the dangers of fire and how to safely protect ourselves and our property against such dangers.

I, along with my cosponsors, urge the Members of this body to support this bill.

Mr. HOLLINGS. Mr. President, I rise today to join my colleague, Senator FRIST, in introducing legislation to reauthorize the programs of the U.S. Fire Administration [USFA].

The United States currently has one of the worst fire records of any country in the industrial world. More than 2 million fires are reported in the United States every year. Annually, these fires result in approximately 4,500 deaths, 30,000 civilian injuries, more than $8 billion in direct property losses, and more than $50 billion in costs to taxpayers. In my State of South Carolina, in 1995, the most recent year in which data are available, 12,776 fires were reported resulting in 12 deaths, 103 injuries, and over $40 million in property losses. Even more disheartening is the fact that over 80 percent of the annual deaths and injuries from fires occur in residential fires. In South Carolina, while only 3,196 of the fires were residential, those fires claimed 8 lives and caused 74 injuries.

As terrible as these statistics are, they would reflect a far more tragic picture were it not for the USFA. The USFA was created under the 1974 act, pursuant to the recommendation of the National Commission on Fire and Control. The USFA is a part of the Federal Emergency Management Agency, and its responsibilities are to administer programs, research, and applied engineering projects to assist State and local governments in fire prevention and control. The USFA works with State and local governments specifically to educate the public in fire safety and prevention, control arson, collect and analyze data related to fire, conduct research and development in fire suppression, promote firefighter health and safety, and conduct fire service training.

The USFA assists our Nation's fire service which comprises of approximately 1.2 million members, 80 percent of whom are volunteers. The fire service is one of the most hazardous professions in the country. Firefighters not only confront daily the dangers of fire; they also are required to respond to other natural disasters, such as earthquakes, floods, medical emergencies, and hazardous materials spills. The USFA administers the National Fire Academy, which sponsors off-campus and on-campus training and management programs for members of the fire and rescue services, and allied professionals.

The effort of the USFA is focused in four areas: First, public education and awareness and arson control; second, data collection and analysis; third, fire service training; and fourth, technology and research and firefighter health and safety.

Through public education and awareness the USFA seeks to identify and educate the groups for whom fire presents the greatest menace. Efforts are focused to increase safety and reduce losses. For example, whether by accident or on purpose, children start over 100,000 fires per years. About 25 percent of the fires that kill young children are started by children playing with fire. The USFA through public-private partnerships had educated children with initiatives such as the "Sesame Street Fire Safety Activity Book for Preschoolers," National Safe Kids, and various guides for parents and teachers.

Senior citizens are at the highest risk of being killed in a fire. The USFA has targeted this group through public service announcements with added focus on the importance of buying and maintaining residential smoke detectors.

Arsonists are responsible for over 500,000 fires every year. Arson is the No. 1 cause of all fires. Even though it is the leading cause of fire, only 15 percent of arson cases result in arrests with juveniles accounting for 55 percent of arrests, and only 2 percent result in convictions. It is the second leading cause of fire deaths in residences and the leading cause of dollar loss due to fire. In 1994, the most recent year for which comprehensive data is available, the total number of arson fires in the United States was estimated at 548,500—accounting for an estimated 560 fire deaths, 3,440 fire injuries, and $3.6 billion in property damage.

Of greater concern are investigators reports that more people are choosing to use fire as a weapon. According to the USFA's "Arson in the United States" report, "Investigators are becoming more aware of Molotov cocktails and pipe bombs being used as incendiary devices. Fires caused by explosives or motivated by spite and revenge tend to be more deadly because they often target residential structures, in keeping with the desire to inflict personal harm." In my own State of South Carolina, we suffer from the worst record for church burnings—over 30 since 1991. I visited with Rev. Lester Grant of Shiloh Baptist Church in Townville, SC, last month, and we discussed the recent trend of targeting churches with this new weapon of hatred and violence. I was impressed with how our church communities are rallying and growing stronger in the rubble of fires. Church burnings, whether acts of hatred or vandalism, have to stop.

We must do more to assist our church communities in stopping these vile efforts. The USFA has initiated several measures to combat this crime, including: community grants in high risk areas to hire part-time law enforcement officers, and to pay for law enforcement overtime and other church arson prevention activities; National Fire Academy training courses; additional training and education for arson investigators with the Bureau of Alcohol, Tobacco, and Firearms; arson prevention information for the general public; and juvenile arson prevention workshops. Although the President's budget request for fiscal year 1997 for arson-fighting activities was reduced, this bill restores that funding at last year's level.

USFA's emphasis on data collection and analysis provides it with the necessary tools for identifying problems and forecasting trends. USFA use this data to focus efforts in the areas that will most significantly reduce casualties and property losses caused by fire. National Fire data are published through USFA's National Fire Incident Reporting System, the only centralized and uniform collection of fire data in the United States.

Regarding fire service training, Mr. President, and the National Fire Academy provides national leadership for fire and emergency medical services personnel through education and training. The Academy offers training and educational programs at the Emmitsburg campus and at other sites throughout the country. The Academy trained 83,000 students in 1996 and plans to increase this number to 300,000 per year in the future. There now are four applicants for each available slot for many of the Academy's courses.

Finally, the USFA conducts research on technology to improve the occupational health and safety of firefighters including improvements to protective clothing and equipment, lifesaving operational technologies and equipment like liquid fire extinguishing agents, and equipment used in vehicle extrication and complex rescues.

Mr. President, the efforts of our Nation's 1.2 million firefighters are invaluable; they risk their lives every day to save the lives and property of others. The USFA provides the necessary education, data analysis, training, and technology needed to ensure that these brave individuals do their job as efficiently and safely as possible. We in Congress need to do our job: We need to enact this legislation to ensure that both firefighters and the USFA get the financial resources they need to serve the public. I encourage my colleagues to support this bill.

Mr. ROCKEFELLER. Mr. President, I rise today to join my colleagues, Senator FRIST, Senator MCCAIN, and Senator HOLLINGS in introducing legislation to reauthorize the programs of the U.S. Fire Administration [USFA].

I just want to say a few quick words about this program. The USFA has a tough and rewarding mission. As I am sure my colleagues have noted, the statistics relating to fires in this country are staggering: Approximately 4,500 people die annually, and over 30,000 people are injured. In West Virginia, there were over 9,000 fires in 1995 causing 28 fatalities and 160 injuries. The fact is, Mr. President, these numbers would be worse if it were not for the brave men and women firefighters who put their lives on the line to save and protect others.

I want to take this moment to commend the 1.2 million members of the Nation's fire service of whom 80 percent are volunteers. In 1995, 163 firefighters were injured in West Virginia in the line of duty. They deserve the best training, assistance, and technology available to do their job. The USFA provides these invaluable services to these men and women in an effort to ensure their safety, their health, and to improve their ability to fight fires with the best available technology.

If there is a Federal program that is worth its value in dollars, it is this one—an ounce of prevention is clearly worth a pound of cure. In addition to the services the USFA provides firefighters, I want to commend this agency for its education and awareness programs, particularly those that target young children, and for their use of the Internet. Children start over 100,000 fires a year from just playing. The USFA has developed an interactive homepage and guide for parents clearly demonstrating their awareness of today's tools needed to reach today's youth.

In closing, Mr. President, I would like to thank my colleague, the chairman of the Science Subcommittee, Senator FRIST, for his efforts to move legislation in a bipartisan manner. This bill is a fine example of his efforts to work with Members of both parties to move good legislation that benefits the public as a whole. I encourage my colleagues to support this bill.

By Mr. MOYNIHAN:

S. 1232. A bill to provide for the declassification of the journal kept by Glenn T. Seaborg while serving as Chairman of the Atomic Energy Commission; to the Committee on Energy and Natural Resources.

DECLASSIFICATION LEGISLATION

Mr. MOYNIHAN. Mr. President, Glenn T. Seaborg is a truly great American who for 14 years has suffered outrageous treatment from bureaucrats and is in need of our assistance. Dr. Seaborg, codiscoverer of plutonium, kept a journal whilst chairman of the Atomic Energy Commission from 1961 to 1971. The journal consisted of a diary written at home each evening, correspondence, announcements, minutes, and the like. He was careful about classified matters; nothing was included that could not be made public. Even as he was chairman the portions relating to the Kennedy and Johnson administrations were microfilmed for public access in their respective Presidential libraries. Before leaving the AEC, Dr. Seaborg got it all cleared virtually without deletion. Then lunacy descended. Or rather, the Atomic Energy Commission became the Department of Energy and bureaucracy got going. Seaborg writes of all this in an article "Secrecy Runs Amok" published in Science in 1994. It seems that in 1983 the chief historian of the Department asked to borrow one of two sets of the journal, some 26 volumes in all, for work on a history of the Commission. By the time the author got his journal back passage after passage was redacted, much of it explicitly public information, such as the published code names of nuclear weapons tests, some of it purely personal, as for example his description of accompanying his children on a trick or treat outing on a Halloween evening. The 26 volumes, "in expurgated form" as Seaborg puts it, are now available in the Manuscript Division of the Library of Congress. But where does one go for sanity? Seaborg writes: "With the beginning of the Reagan administration, the government had begun to take a much more severe and rigid position with regard to secrecy." The balance between the "right of the public to know" and the "right of the nation to protect itself" was simply lost as, often apologetic, investigators poured over the papers of the great Americans of the time.

Dr. Seaborg recently came to my office seeking assistance in cutting through the bureaucracy. At this stage in his career he should not be forced to expend valuable time and energy trying to get back what he lent the Department of Energy. I immediately agreed to offer what assistance I could, having had experience of such matters as chairman of the Commission on Protecting and Reducing Government Secrecy.

Last week, with the energy and water appropriations bill nearly ready for conference, I thought there might be a chance to include a provision that would require the return of the unedited journal to Dr. Seaborg. I wrote to the chairman and ranking members of the subcommittee, asking for their help. On Tuesday, September 23, the clerk for Senator REID, the ranking member of the subcommittee, reported to my staff that there had been a long staff discussion on the matter, that it was agreed the Department of Energy had acted inappropriately, that the journal was a valuable historical document, and that things looked promising for including the provision in the conference report.

The report was filed today with no mention of the Seaborg journal. This afternoon the clerk for Senator DOMENICI, the chairman, reported that the Department of Energy had been consulted and that they had raised objections to the return of the unexpurgated journal. And so, absent the opportunity for a hearing, the provision was dropped. I suppose doing the right thing for Dr. Seaborg in a simple, expedient manner was too much to expect. I suppose it was wishful thinking that the Department would do its part to rectify the situation. So, Mr. President, I am introducing the same provision as a freestanding bill. I look forward to a hearing on the matter, which the appropriations staff advocates, so that at least this one egregious example of the regulation and control of valuable public information can be brought to light and, I trust, remedied.

I ask unanimous consent that Dr. Seaborg's article in Science be included in the RECORD at this point. I send to the desk a bill requiring the return of Dr. Seaborg's journal in the original, unredacted form in which it was lent to the Department of Energy, and ask unanimous consent that it be

printed in the RECORD and referred to the appropriate committee.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1232

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

SECTION 1. FINDINGS.

(1) Whereas Dr. Glenn T. Seaborg is a truly great American who has made indispensable contributions in the development of nuclear energy.

(2) Whereas Dr. Seaborg is the co-discoverer of plutonium and eight other elements and as a result of these discoveries was awarded the 1951 Nobel Prize for chemistry.

(3) Whereas while serving as Chairman of the Atomic Energy Commission (AEC), Dr. Seaborg maintained a journal consisting of a diary, correspondence, announcements, minutes of meetings, and other documents of historical value.

(4) Whereas in preparing the journal, Dr. Seaborg took care to include only information which was not classified and could be made public.

(5) Whereas before leaving the Atomic Energy Commission, Dr. Seaborg submitted the journal to the AEC's Division of Classification for review.

(6) Whereas Dr. Seaborg's journal was cleared by the Division of Classification, virtually without deletion.

(7) Whereas twelve years later, in 1983, the chief historian at the Department of Energy asked to borrow a copy of Dr. Seaborg's journal in order to write a history of the AEC.

(8) Whereas when the journal was returned to Dr. Seaborg three years later, passage after passage was redacted, including explicitly public information, such as the published code names of nuclear weapons tests, and purely personal material, such as his description of accompanying his children on a "trick or treat" outing one Halloween evening.

SEC. 2. DECLASSIFICATION OF SEABORG JOURNAL.

The Secretary of Energy shall return to Dr. Glenn T. Seaborg his journal which he prepared while serving as Chairman of the AEC. The journal shall be returned in the original, unredacted form in which it was lent to the Department of Energy in 1983.

SECRECY RUNS AMOK

(By Glenn T. Seaborg)

Publishing information on scientific projects related to national security requires resolution of the conflicts between the "right of the public to know" and the "right of the nation to protect itself." A recent experience of mine in regard to the declassification of historical material may illuminate the problems that can arise.

During my years as chairman of the Atomic Energy Commission (AEC) (1961 to 1971), I maintained a daily journal. The core of the journal was a diary, much of which I wrote at home each evening. (This continued a habit I had started at the age of 14.) The diary was supplemented by copies of correspondence, announcements, minutes of meetings, and other relevant documents that crossed my desk each day. Both in the diary and the supporting documents rigorous attention was given to excluding any subject matter that could be considered classified information under standards of the day. My purpose was to provide for historians and other scholars a record that might not be available elsewhere of what occurred at high levels of government regarding the AEC's important areas of activity.

Illustrative of the general recognition that my journal was unclassified was the fact that in 1965 the AEC historian microfilmed for public access in the John F. Kennedy and Lyndon B. Johnson libraries portions that correspond to those presidencies. To assure myself further that the journal contained no classified material I had it checked by the AEC Division of Classification during the summer and fall of 1971, just before my departure from the AEC. It was cleared, virtually without deletions. (Unfortunately, I received no written confirmation of this action which is perhaps understandable because of the obvious unclassified origin of the material.) A copy, which I will refer to as copy #1, was then transmitted by the AEC to my office at the University of California in Berkeley. Also, at about this time, the AEC tansferrd another copy of the journal, referred to hereinafter as copy #2, first to my Berkeley office, then to the Livermore laboratory, and, soon thereafter, to my home in Lafayette, California. It was known that neither my Berkeley office nor my home had any provision for the protection of classified material, and the fact that the AEC saws fit to ship the journal to those places is a clear indication that the AEC regarded the journal as an unclassified document.

The office and home copies of the journal remained accessible to scholars for the ensuing 12 years. Then the problems began. In July 1983 the chief historian of the Department of Energy (DOE) asked to borrow a copy for use in the next phase of the History Division's long-term project, the writing of *A History of the United States Atomic Energy Commission*. Volume IV of the *History* was to be devoted largely to the years of my chairmanship. The historian promised to return the journal within 3 weeks as soon as copies had been made. I sent him copy #1, the one in my Berkeley office. When the University of California historian, John Heilbron, learned of this transaction, he warned me that the DOE was likely to find classified material in the journal and to hold it indefinitely pending a complete classification review. Relying on past history during which the journal had been treated by the AEC as a wholly unclassified document, I told him I was not worried that this would happen. But, as Heilbron may have been aware from his own experience, times had changed. With the beginning of the Reagan administration, the government had begun to take a new, much more severe and rigid position with regard to secrecy.

Despite my repeated entreaties, the historian's office did not return the journal in 3 weeks, nor in 3 months, nor in a year-and-a-half. Nor was any explanation ever offered to me for the delay. Finally, just as Heilbron had predicted, I was informed in February 1985 that the journal had indeed been found to contain classified information. Accordingly, DOE ordered its San Francisco Area Office to pick up copy #2, the one that I kept at home, so that it also could be subjected to a classification review. At first I said I would not allow this. But then I was told that, legally, the journal could be seized and that I could be subject to arrest if I resisted. Faced with this disagreeable prospect, I acceded to a compromise plan (the best of several unsatisfactory alternatives) whereby DOE provided me with a locked storage safe, complete with burglar alarm, so that I could continue to have access to the journal, which I was at that time preparing for publication. It was no longer, however, to be available for use by scholars.

Then in May 1985 I was contacted by DOE's San Francisco Area Manager. He said that he had been instructed by DOE headquarters to institute a classification review of copy #2 at my home. He added that the consequence of my not agreeing to this would be that the FBI would seize the papers under court order. He said that the weakness of my case, if I chose to resist, was that there was no record of the journal ever having been declassified by the AEC. Thus, I could be accused of having illegally removed classified material when I left the AEC. He noted that if legal proceedings were instituted, I could, of course, hire a lawyer to defend myself, but that he knew of no case like this where the government, with all its resources, had lost.

Under this ultimatum, I agreed to the classification review with the understanding that it would be completed within 10 days. The reviewer started work in my home on 9 May 1985, kept at it for several weeks (not the promised 10 days), and came up with 162 deletions of words, phrases, sentences, or paragraphs, affecting 137 documents.

Then in May 1986 I learned that copy #1, the one borrowed by the DOE historian, was also undergoing a classification review. This review was complete in October 1986 and led to deletions from 327 documents. In addition, 530 documents were removed from the journal entirely pending further review by DOE or by other government agencies.

At the same time as reviews of my complete journal were being undertaken in DOE and in my home, a further review was taking place in the Bethesda, Maryland, home of Benjamin S. Loeb, who was then collaborating with me in preparation of the book, Stemming the Tide: Arms Control in the Johnson Years, which was to be published in 1987 (1). Copies had been sent to Loeb of just those portions of the journal that related to arms control. Beginning 10 July 1986, as many as six DOE Division of Classification staff members sat around his dining room table for a few days, selecting a large number of documents which they then took with them back to DOE headquarters in Germantown, Maryland. In due course, most of these were returned with deletions, except that a number of documents that required review by U.S. government agencies other than DOE, or by the United Kingdom, were not returned until August 1990.

But there was more. In October 1986 I was informed that the DOE classification people wanted to perform another review of copy #2, the one in my home, in order to "sanitize" it, a euphemism for a further classification review of the already reviewed journal. I was informed that the sanitization procedure would take place at Livermore, that it would last 3 to 6 weeks, and that it would involve from 8 to 12 people. Copy #2 was duly picked up at my home and delivered to Livermore on 22 October 1986. When the sanitized version was returned almost 2 months later, it had been subjected, including the prior review, to about 1000 classification actions. These included the entire removal of about 500 documents for review by other U.S. agencies or, in a few cases, by the British. Over my objection, an unsightly declassification stamp was placed on every surviving document.

Finally, the DOE sent to the Lawrence Berkeley Laboratory a team of about 12 people to begin a "catalog," that is, an itemized listing, of all the personal correspondence I had brought from the AEC and of the contents of my journal and files for the prior 25

years of my working life before I became AEC chairman. Beginning on 29 April 1987, the team spent about 2 weeks at this task. In March 1988 another DOE group visited me for about a month in order to complete the catalog. The motives of DOE in undertaking this task were not clear. They may well have intended to be helpful to me. Before they finished, however, the two groups uncovered some additional "secret" material.

My grammar and high school and university student papers stored in another part of my home, overlooked by the DOE classification teams, have so far escaped a security review.

My journal was finally reproduced in January 1989 (2) in 25 volumes, averaging about 700 pages each, many of them defaced with classification markings and containing large gaps where deletions had been made. In June 1992 a 26th volume was added. It contained a batch of documents initially taken away for classification review and subsequently returned to me, with many deletions, after the production of the other 25 volumes in January 1989. (Many other removed documents have still not been returned.). All 26 volumes are now publicly available in the expurgated form in the Manuscript Division of the Library of Congress.

This, then, is a summary narrative of the rocky voyage of my daily journal amid the shoals of multiple classification reviews. Those interested in a more detailed account can find it among the daily entries in my journal for the period after I left the AEC. This is available in the Manuscript Division of the Library of Congress, and has fortunately not yet been subjected to classification review.

What is to be concluded about this sorry tale? One conclusion I have reached is that the security classification of information became in the 1980s an arbitrary, capricious, and frivolous process, almost devoid of objective criteria. Witness the fact that the successive reviews of my journal at different places and by different people resulted in widely varying results in the types and number of deletions made or documents removed. Furthermore, some of the individual classification actions seem utterly ludicrous. These include my description of one of the occasions when I accompanied my children on a "trick or treat" outing on a Halloween evening, and my account of my wife Helen's visit to the Lake Country in England. One would have to ask how publication of these bits of family lore would adversely affect the security of the United States. A particular specialty of the reviewers was to delete from the journal many items that were already part of the public record. These included material published in my 1981 book (with Benjamin S. Loeb), "Kennedy, Khrushchev, and the Test Ban" (3). Another example concerned the code names of previously conducted nuclear weapons tests. These were deleted almost everywhere they appeared regardless of the fact that in January 1985 the DOE had issued a report listing, with their code names, all "Announced United States Nuclear Tests, July 1945 through December 1984" (4). A third category of deletions concerned entries that might have been politically or personally embarrassing to individuals or groups but whose publication would not in any way threaten U.S. national security. In fact, I would go so far as to contend that hardly any of the approximately 1,000 classification actions (removals of documents or deletions within document) taken so randomly by the various reviewers could be justified on legitimate national security grounds.

Consistent with this belief, I have requested repeatedly throughout this difficult time that a copy of my journal as originally prepared, that is, before all the classification reviews, be kept on file somewhere. I had in mind that there might come a day when a more rational approach to secrecy might prevail and permit wider access, especially to historians, of the complete record. There are indications that, especially with the end of the Cold War, such an era may be at hand or rapidly approaching. While the DOE has made no commitment to honor my request. I am informed that DOE's History Division does maintain an unexpurgated copy for its own use. Perforce, it is handled as a classified document.

I would like to emphasize that I received fine and sympathetic treatment from many in the DOE who made it clear to me that they were not in agreement with the treatment accorded me and my journal during the process recounted above. In fact, more than one person in DOE has told me informally that evidence does indeed exist verifying that my journal did indeed receive a clearance before my departure from the AEC in 1971.

The problems posed by classification and declassification of sensitive materials are major ones and require wise people who must make sophisticated decisions. It requires a range of individuals who, on the one hand, have vision in regard to the whole range of scientific and national security policies, and on the other hand, have the time to read pages of detailed descriptions in a wide range of areas. Sometimes this complex goal gets derailed by those who see the trees and not the forest. Those in charge of classification should have an appreciation of the need, in our open society, to publish all scientific and political information that has no adverse national security effect (realistically defined).

Although I have in general received sympathetic treatment, I cannot help but note that this treatment has produced quite different conclusions at different periods in the country's history. Actually, the AEC, from its beginning in 1947, initiated and executed an excellent progressive program of declassification with an enlightened regard for the need of such information in an open, increasingly scientific society. By the 1960s, this program was serving our country well. Unfortunately, during the 1980s the program had retrogressed to the extent of reversing many earlier declassification actions. Fortunately, the present situation is very much improved so we can look forward to the future with considerable optimism.

REFERENCES

1. G.T. Seaborg and B.S. Loeb. Stemming the Tide: Arms Control in the Johnson Years (Free Press, New York, 1987).

2. G.T. Seaborg. Lawr. Bork, Lab. Tech. Inf. Dep. Publ. PUB-625 (1989).

3. G.T. Seaborg and B.S. Loeb. Kennedy, Khrushchev, and the Test Ban (Univ. of California Press, Berkeley, 1981).

4. U.S. Dep. Energy Rep. NVO-209 (revision 5) (1985).

ADDITIONAL COSPONSORS

S. 412

At the request of Mr. LAUTENBERG, the name of the Senator from North Carolina [Mr. FAIRCLOTH] was added as a cosponsor of S. 412, a bill to provide for a national standard to prohibit the operation of motor vehicles by intoxicated individuals.

S. 648

At the request of Mr. GORTON, the name of the Senator from North Carolina [Mr. FAIRCLOTH] was added as a cosponsor of S. 648, a bill to establish legal standards and procedures for product liability litigation, and for other purposes.

S. 1042

At the request of Mr. GRAHAM, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 1042, a bill to require country of origin labeling of perishable agricultural commodities imported into the United States and to establish penalties for violations of the labeling requirements.

S. 1114

At the request of Mr. JEFFORDS, the name of the Senator from Illinois [Mr. DURBIN] was added as a cosponsor of S. 1114, a bill to impose a limitation on lifetime aggregate limits imposed by health plans.

S. 1133

At the request of Mr. BURNS, his name was added as a cosponsor of S. 1133, a bill to amend the Internal Revenue Code of 1986 to allow tax-free expenditures from education individual retirement accounts for elementary and secondary school expenses and to increase the maximum annual amount of contributions to such accounts.

SENATE CONCURRENT RESOLUTION 52

At the request of Mr. HOLLINGS, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of Senate Concurrent Resolution 52, a concurrent resolution relating to maintaining the current standard behind the "Made in USA" label, in order to protect consumers and jobs in the United States.

SENATE RESOLUTION 128—RELATIVE TO THE VACANCIES ACT

Mr. THURMOND (for himself, Mr. HATCH, Mr. GRASSLEY, Mr. KYL, Mr. SESSIONS, and Mr. DEWINE) submitted the following resolution; which was referred to the Committee on Governmental Affairs:

S. RES. 128

Whereas Congress enacted the Act entitled "An Act to authorize the temporary supplying of vacancies in the executive departments", approved July 23, 1868 (commonly referred to as the "Vacancies Act"), to—

(1) preclude the extended filling of a vacancy in an office of an executive or military department subject to Senate confirmation, without the submission of a Presidential nomination;

(2) provide an exclusive means to temporarily fill such a vacancy; and

(3) clarify the role of the Senate in the exercise of the Senate's constitutional advice and consent powers in the Presidential appointment of certain officers;

Whereas subchapter III of chapter 33 of title 5, United States Code, includes a codification of the Vacancies Act, and (pursuant to an amendment on August 17, 1988, to section 3345 of such title) specifically applies

such vacancy provisions to all Executive agencies, including the Department of Justice;

Whereas the legislative history accompanying the 1988 amendment makes clear in the controlling committee report that the general administrative authorizing provisions for the Executive agencies, which include sections 509 and 510 of title 28, United States Code, regarding the Department of Justice, do not supersede the specific vacancy provisions in title 5, United States Code;

Whereas there are statutory provisions of general administrative authority applicable to every Executive department and other Executive agencies that are similar to sections 509 and 510 of title 28, United States Code, relating to the Department of Justice;

Whereas despite the clear intent of Congress, the Attorney General of the United States has continued to interpret the provisions granting general administrative authority to the Attorney General under sections 509 and 510 of title 28, United States Code, to supersede the specific vacancy provisions in title 5, United States Code; and

Whereas the interpretation of the Attorney General would—

(1) virtually nullify the vacancy provisions under subchapter III of chapter 33 of title 5, United States Code;

(2) circumvent the clear intention of Congress to preclude the extended filling of certain vacancies and provide for the temporary filling of such vacancies; and

(3) subvert the constitutional authority and responsibility of the Senate to advise and consent to certain appointments: Now, therefore, be it

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

(1) sections 3345, 3346, 3347, 3348, and 3349 of title 5, United States Code (relating to the filling of vacancies in certain offices), apply to all Executive agencies, including the Department of Justice.

(2) the general administrative authorizing statutes of Executive agencies, including sections 509 and 510 of title 28, United States Code, relating to the Department of Justice, do not supersede the specific vacancy provisions applicable to Executive agencies in title 5, United States Code; and

(3) the Attorney General of the United States should—

(A) take such necessary actions to ensure that the Department of Justice is in compliance with the statutory requirements of such sections; and

(B) inform other Executive agencies to comply with the vacancy provisions in title 5, United States Code.

Mr. THURMOND. Mr. President, today, I am submitting a sense-of-the Senate resolution regarding the Vacancies Act. I am pleased to do so on my behalf, and the distinguished chairman of the Senate Judiciary Committee, and other members of the Judiciary Committee. Our purpose is to clarify for the Attorney General that the Vacancies Act applies to all executive departments and agencies, including the Department of Justice.

The Vacancies Act provides that, except for recess periods, when an official serving in an advise and consent position in an executive agency leaves, the President may appoint certain individuals to serve in that position in an acting capacity for no more than 120 days before the nomination of a permanent replacement is forwarded for Senate confirmation. The Vacancies Act, which is codified in sections 3345 through 3349 of title 5 of the United States Code, has existed in some form since at least 1868.

This act is central to the advise and consent role of the Senate. By limiting the time that the President may temporarily fill a vacant advise and consent position, the act strongly encourages the President to quickly nominate a permanent replacement.

I have become increasingly alarmed at the Clinton administration's failure to nominate officials to fill the vacancies that have occurred in executive branch positions, and particularly in the Department of Justice. When we held a Justice Department oversight hearing in the Judiciary Committee at the end of April, vacancies existed for the Associate Attorney General, Solicitor General, Assistant Attorney General for Civil Rights, Assistant Attorney General for the Criminal Division, and Assistant Attorney General for the Office of Legal Counsel.

I asked Attorney General Reno at the oversight hearing whether she was concerned that a failure to nominate individuals for these positions within the 120-day deadline would violate the Vacancies Act. She responded in writing that the Justice Department was not bound by the Vacancies Act. The letter indicated that she could fill these vacancies pursuant to the Department's general administrative authorizing statutes without regard to the Vacancies Act.

In my opinion, the Attorney General is simply wrong. Her interpretation of the vacancies law in this area is nothing more than an attempt to get around the law.

First, the plain language of the Vacancies Act since it was amended in 1988 states that it applies to all executive departments and agencies. By law, the Department of Justice is an executive department, so Justice obviously is included. In fact, the original sponsor of the act, Representative Trumbull, stated on the Senate floor in 1868 that the act applied to, quote, "any of the Departments."

Also, the Congress flatly rejected the Attorney General's interpretation when it amended the Vacancies Act in 1988. As explained in the report of the Committee on Governmental Affairs, Congress made a choice in 1988 of whether to repeal or revive the Vacancies Act, and it chose the latter. The report stated that it was time "to revitalize" the Vacancies Act and "make it relevant to the modern Presidential appointments process." One method of accomplishing this was to assist the President by expanding the number of days he had to submit a nominee from 30 to 120 days after the vacancy was created. That way, the President would have more time to submit a qualified replacement.

The committee report expressly rejected the Attorney General's flawed interpretation. It stated that the Vacancies Act was the exclusive authority for these appointments, and noted that the authorizing statutes of an executive department or agency do not provide an alternative means to fill vacancies. The amendment was made at the recommendation of the Comptroller General, who has battled with the Attorney General for many years over this flawed interpretation of vacancies law.

Mr. President, this is a matter of great constitutional significance. If the view of the Attorney General were correct, the President could routinely ignore the advise and consent role of the Senate. In the Justice Department, the President would never be obligated to nominate any official below the Attorney General for Senate confirmation after his first appointee left, as long as the President was content for the person to serve in an acting capacity.

In fact, based on the Attorney General's reasoning, the President apparently would not be bound by the Vacancies Act for officials in any department. Every Federal department from Agriculture to Veterans Affairs has authorizing statutes similar to Justice. Many Federal agencies do, too. Therefore, based on the Attorney General's reasoning, these departments and agencies can all claim to be exempt from the Vacancies Act. In fact, when faced with the Vacancies Act, many make the Attorney General's argument, and claim they aren't bound by it either. Obviously, the Congress would never have intended for its confirmation power to be circumvented in this manner.

The Framers of the Constitution surely would not be pleased. The advise and consent role of the Senate is one of the fundamental checks and balances included within our great system of Government. Under the appointments clause of article II, section 2, of the Constitution, the President has the exclusive power to nominate principal officers of the United States, but the Senate must give its advise and consent. As Justice Scalia stated for the Supreme Court earlier this year, "[T]he Appointments Clause * * * is more than a matter of etiquette or protocol; it is among the significant structural safeguards of the constitutional scheme."

The involvement of the Senate is designed to promote a high quality of appointments and curb executive abuses. In the words of Alexander Hamilton in Federalist No. 76, "The possibility of rejection [is] a strong motive to care in processing."

This resolution is designed to affirm the Senate's role by insisting that the Attorney General stop interpreting the

act out of existence. It expressly states what should already be obvious from the plain language of the Vacancies Act and its legislative history: that the Vacancies Act applies to all executive departments and agencies, including the Department of Justice. The resolution also states that the Attorney General should ensure that the Department of Justice complies with the act, and that she should inform other executive agencies to abide by it, as well.

This is not just a technical issue. It is not an idle problem. At some point this year, six advise and consent positions in the Justice Department have been in violation of the Vacancies Act. The position of the Assistant Attorney General for the Criminal Division has been vacant for over 2 years. This is an excellent example of the problem the Vacancies Act was designed to prevent. The Nation's chief law enforcement agency has been without a confirmed chief for crime since August 31, 1995. No name has been forwarded in the 9 months that this Congress has been in session. Mr. President, what message does that send about the Clinton administration's commitment to fighting crime?

In the meantime, the Attorney General has been in the middle of a tremendous controversy surrounding her reluctance to seek the appointment of an independent counsel to investigate apparently illegal campaign fundraising practices. Would not having a politically accountable chief of the Criminal Division be helpful to her in analyzing whether crimes were committed?

Also, consider the Office of Legal Counsel. Walter Dellinger was confirmed to head OLC in 1993, but he was very controversial. Many members of this body could not support him. Nevertheless, effective July 1, 1996, the Attorney General made Mr. Dellinger acting Solicitor General. The Senate may not have confirmed him to be Solicitor General. Of course, we will never know because by simply naming him acting Solicitor General, the administration avoided a fight over his appointment. For an entire year, for a full term of the Supreme Court, the United States was represented by a Solicitor General who was acting in violation of the Vacancies Act, in violation of the law. The President has just officially nominated someone else for the vacancy.

Moreover, Mr. Dellinger's appointment caused another violation of the Vacancies Act. When the Attorney General moved Mr. Dellinger, she appointed an acting chief of OLC, who served over 120 days without a permanent nomination being submitted. Not only did this appointment exceed 120 days, it wasn't even legal in the first place. The Vacancies Act not only limits the amount of time someone can serve in an acting capacity, it also limits who can serve. Only someone who was the first assistant, which refers to the principal deputy, or someone who was earlier confirmed to a different advice and consent position can serve in the acting position. Mr. Dellinger's replacement did not meet either of these requirements. Thus, the chief of OLC was serving in violation of the Vacancies Act, in violation of the law, from the first day Mr. Dellinger left.

Mr. President, the vacancies problem is not limited to the Department of Justice. It can be found throughout the executive branch. The Washington Post reported on August 29, 1997, that 30 percent of the top 470 political jobs in the administration remain unfilled. When confronted with the Vacancies Act, many departments and agencies use the Attorney General's argument and also claim not to be bound by the act.

It is time to put the Attorney General's flawed interpretation of the Vacancies Act to rest. Her reading of the Vacancies Act is a threat to the advise and consent role of the Senate. I am hopeful that my colleagues will join me and my cosponsors in supporting this simple but significant resolution. Let us adopt this important resolution, and reaffirm our constitutional duty of advise and consent.

AMENDMENTS SUBMITTED

THE VISA WAIVER PILOT PROGRAM REAUTHORIZATION ACT OF 1997

KYL (AND OTHERS) AMENDMENT NO. 1254

Mr. MCCONNELL (for Mr. KYL for himself, Mr. LEAHY, and Mr. JEFFORDS) proposed an amendment to the bill (S. 1178) to amend the Immigration and Nationality Act to extend the visa waiver pilot program, and for other purposes; as follows:

At the end of the bill insert the following section:

SEC. 3. REPORT ON AUTOMATED ENTRY-EXIT CONTROL SYSTEM.

(a) Within six months after the date of enactment of this Act, the Attorney General shall report to the Committees on the Judiciary of the Senate and the House of Representatives on her plans for and the feasibility of developing an automated entry-exit control system that would operate at the land borders of the United States and that would—

(1) collect a record of departure for every alien departing the United States and match the records of departure with the record of the alien's arrival in the United States; and

(2) enable the Attorney General to identify, through on-line searching procedures, lawfully admitted nonimmigrants who remain in the United States beyond the period authorized by the Attorney General.

(b) Such report shall assess the costs and feasibility of various means of operating such an automated entry-exit control system; shall evaluate how such a system could be implemented without increasing border traffic congestion and border crossing delays and, if any such system would increase border crossing delays, evaluate to what extent such congestion or delays would increase; and shall estimate the length of time that would be required for any such system to be developed and implemented at the land borders.

HUTCHISON AMENDMENT NO. 1255

Mr. MCCONNELL (for Mrs. HUTCHISON) proposed an amendment to the bill, S. 1178, supra; as follows:

On page 8, after line 6, insert the following:

(C) REPORTING REQUIREMENTS FOR OTHER COUNTRIES.—For every country from which nonimmigrants seek entry into the United States, the Attorney General shall make a precise numerical estimate of the figures under clauses (A)(i)(I) and (A)(i)(II) and report those figures to the Committees on the Judiciary of the Senate and the House of Representatives within 30 days after the end of the fiscal year.

ABRAHAM (AND KENNEDY) AMENDMENT NO. 1256

Mr. MCCONNELL (for Mr. ABRAHAM, for himself and Mr. KENNEDY) proposed an amendment to the bill, S. 1178, supra; as follows:

On page 8, between lines 6 and 7, insert the following new clause:

"(ii) COMMENCEMENT OF AUTHORIZED PERIOD FOR QUALIFYING COUNTRIES.—No country qualifying under the criteria in clauses (i) and (ii) may be newly designated as a pilot program country prior to October 1, 1998.

On page 8, line 6, strike "2002" and insert "2000".

THE PUBLIC HOUSING REFORM AND RESPONSIBILITY ACT OF 1997

MACK AMENDMENT NO. 1257

Mr. MCCONNELL (for Mr. MACK) proposed an amendment to the bill (S. 462). A bill to reform and consolidate the public and assisted housing programs of the United States, and to redirect primary responsibility for these programs from the Federal Government to States and localities, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Public Housing Reform and Responsibility Act of 1997".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purposes.
Sec. 3. Definitions.
Sec. 4. Effective date.
Sec. 5. Proposed regulations; technical recommendations.
Sec. 6. Elimination of obsolete documents.
Sec. 7. Annual reports.

TITLE I—PUBLIC HOUSING

Sec. 101. Declaration of policy.
Sec. 102. Membership on board of directors.
Sec. 103. Rental payments.
Sec. 104. Definitions.
Sec. 105. Contributions for lower income housing projects.

Sec. 106. Public housing agency plan.
Sec. 107. Contract provisions and requirements.
Sec. 108. Expansion of powers for dealing with public housing agencies in substantial default.
Sec. 109. Public housing site-based waiting lists.
Sec. 110. Public housing capital and operating funds.
Sec. 111. Community service and self-sufficiency.
Sec. 112. Repeal of energy conservation; consortia and joint ventures.
Sec. 113. Repeal of modernization fund.
Sec. 114. Eligibility for public and assisted housing.
Sec. 115. Demolition and disposition of public housing.
Sec. 116. Repeal of family investment centers; voucher system for public housing.
Sec. 117. Repeal of family self-sufficiency; homeownership opportunities.
Sec. 118. Revitalizing severely distressed public housing.
Sec. 119. Mixed-finance and mixed-ownership projects.
Sec. 120. Conversion of distressed public housing to tenant-based assistance.
Sec. 121. Public housing mortgages and security interests.
Sec. 122. Linking services to public housing residents.
Sec. 123. Prohibition on use of amounts.
Sec. 124. Pet ownership.
Sec. 125. City of Indianapolis flexible grant demonstration.

TITLE II—SECTION 8 RENTAL ASSISTANCE

Sec. 201. Merger of the certificate and voucher programs.
Sec. 202. Repeal of Federal preferences.
Sec. 203. Portability.
Sec. 204. Leasing to voucher holders.
Sec. 205. Homeownership option.
Sec. 206. Law enforcement and security personnel in public housing.
Sec. 207. Technical and conforming amendments.
Sec. 208. Implementation.
Sec. 209. Definition.
Sec. 210. Effective date.
Sec. 211. Recapture and reuse of annual contribution contract project reserves under the tenant-based assistance program.

TITLE III—SAFETY AND SECURITY IN PUBLIC AND ASSISTED HOUSING

Sec. 301. Screening of applicants.
Sec. 302. Termination of tenancy and assistance.
Sec. 303. Lease requirements.
Sec. 304. Availability of criminal records for public housing resident screening and eviction.
Sec. 305. Definitions.
Sec. 306. Conforming amendments.

TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. Public housing flexibility in the CHAS.
Sec. 402. Determination of income limits.
Sec. 403. Demolition of public housing.
Sec. 404. National Commission on Housing Assistance Program Costs.
Sec. 405. Technical correction of public housing agency opt-out authority.
Sec. 406. Review of drug elimination program contracts.
Sec. 407. Treatment of public housing agency repayment agreement.
Sec. 408. Ceiling rents for certain section 8 properties.
Sec. 409. Sense of Congress.
Sec. 410. Other repeals.
Sec. 411. Guarantee of loans for acquisition of property.
Sec. 412. Prohibition on use of assistance for employment relocation activities.
Sec. 413. Use of HOME funds for public housing modernization.
Sec. 414. Report on single family and multifamily homes.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) there exists throughout the Nation a need for decent, safe, and affordable housing;

(2) the inventory of public housing units owned and operated by public housing agencies, an asset in which the Federal Government has invested approximately $90,000,000,000, has traditionally provided rental housing that is affordable to low-income persons;

(3) despite serving this critical function, the public housing system is plagued by a series of problems, including the concentration of very poor people in very poor neighborhoods and disincentives for economic self-sufficiency;

(4) the Federal method of overseeing every aspect of public housing by detailed and complex statutes and regulations aggravates the problem and places excessive administrative burdens on public housing agencies;

(5) the interests of low-income persons, and the public interest, will best be served by a reformed public housing program that—

(A) consolidates many public housing programs into programs for the operation and capital needs of public housing;

(B) streamlines program requirements;

(C) vests in public housing agencies that perform well the maximum feasible authority, discretion, and control with appropriate accountability to both public housing residents and localities; and

(D) rewards employment and economic self-sufficiency of public housing residents; and

(6) voucher and certificate programs under section 8 of the United States Housing Act of 1937 are successful for approximately 80 percent of applicants, and a consolidation of the voucher and certificate programs into a single, market-driven program will assist in making section 8 tenant-based assistance more successful in assisting low-income families in obtaining affordable housing and will increase housing choice for low-income families.

(b) PURPOSES.—The purposes of this Act are—

(1) to consolidate the various programs and activities under the public housing programs administered by the Secretary in a manner designed to reduce Federal overregulation;

(2) to redirect the responsibility for a consolidated program to States, localities, public housing agencies, and public housing residents;

(3) to require Federal action to overcome problems of public housing agencies with severe management deficiencies; and

(4) to consolidate and streamline tenant-based assistance programs.

SEC. 3. DEFINITIONS.

In this Act:

(1) PUBLIC HOUSING AGENCY.—The term "public housing agency" has the same meaning as in section 3 of the United States Housing Act of 1937.

(2) SECRETARY.—The term "Secretary" means the Secretary of Housing and Urban Development.

SEC. 4. EFFECTIVE DATE.

(a) IN GENERAL.—Except with respect to any provision or amendment identified by the Secretary under subsection (b) and as otherwise specifically provided in this Act or the amendments made by this Act, this Act and the amendments made by this Act shall take effect on the date of enactment of this Act.

(b) EXCEPTION.—

(1) DETERMINATION.—Not later than 2 months after the date of enactment of this Act, the Secretary shall identify any provision of this Act, or any amendment made by this Act, the implementation of which, in the determination of the Secretary—

(A) requires a substantial exercise of discretion, such that there exists a significant risk of litigation;

(B) requires a need for uniform interpretation; or

(C) is otherwise problematic, such that immediate implementation is inappropriate.

(2) NOTICE.—

(A) IN GENERAL.—Notwithstanding any other provision of law, not later than 6 months after the date on which the Secretary makes any identification under paragraph (1), the Secretary shall implement each provision or amendment so identified by notice published in the Federal Register, which notice shall—

(i) include such requirements as may be necessary to implement the provision or amendment; and

(ii) invite public comments on those requirements.

(B) EFFECTIVE DATE OF NOTICE.—The notice published under paragraph (2) may, in the discretion of the Secretary, take effect upon publication.

(3) FINAL REGULATIONS.—Not later than 12 months after the date of enactment of this Act, the Secretary shall issue such final regulations as may be necessary, taking into account any comments received under paragraph (2)(A)(ii), to implement each provision or amendment identified under paragraph (1).

SEC. 5. PROPOSED REGULATIONS; TECHNICAL RECOMMENDATIONS.

(a) PROPOSED REGULATIONS.—Not later than 9 months after the date of enactment of this Act, the Secretary shall submit to Congress proposed regulations that the Secretary determines are necessary to carry out the United States Housing Act of 1937, as amended by this Act.

(b) TECHNICAL RECOMMENDATIONS.—Not later than 9 months after the date of enactment of this Act, the Secretary shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking and Financial Services of the House of Representatives, recommended technical and conforming legislative changes necessary to carry out this Act and the amendments made by this Act.

SEC. 6. ELIMINATION OF OBSOLETE DOCUMENTS.

Effective 1 year after the date of enactment of this Act, no rule, regulation, or order (including all handbooks, notices, and related requirements) pertaining to public housing or section 8 tenant-based programs issued or promulgated under the United States Housing Act of 1937 before the date of enactment of this Act may be enforced by the Secretary.

SEC. 7. ANNUAL REPORTS.

Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Secretary shall submit a report to Congress on—

(1) the impact of the amendments made by this Act on—

(A) the demographics of public housing residents and families receiving tenant-based assistance under the United States Housing Act of 1937; and

(B) the economic viability of public housing agencies; and

(2) the effectiveness of the rent policies established by this Act and the amendments made by this Act on the employment status and earned income of public housing residents.

TITLE I—PUBLIC HOUSING

SEC. 101. DECLARATION OF POLICY.

Section 2 of the United States Housing Act of 1937 (42 U.S.C. 1437) is amended to read as follows:

"SEC. 2. DECLARATION OF POLICY.

"It is the policy of the United States to promote the general welfare of the Nation by employing the funds and credit of the Nation, as provided in this title—

"(1) to assist States and political subdivisions of States to remedy the unsafe housing conditions and the acute shortage of decent and safe dwellings for low-income families;

"(2) to assist States and political subdivisions of States to address the shortage of housing affordable to low-income families; and

"(3) consistent with the objectives of this title, to vest in public housing agencies that perform well, the maximum amount of responsibility and flexibility in program administration, with appropriate accountability to both public housing residents and localities.".

SEC. 102. MEMBERSHIP ON BOARD OF DIRECTORS.

Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(1) by redesignating the second section designated as section 27 (as added by section 903(b) of Public Law 104-193 (110 Stat. 2348)) as section 28; and

(2) by adding at the end the following:

"SEC. 29. MEMBERSHIP ON BOARD OF DIRECTORS.

"(a) REQUIRED MEMBERSHIP.—Except as provided in subsection (b), the membership of the board of directors of each public housing agency shall contain not less than 1 member—

"(1) who is a resident who directly receives assistance from the public housing agency; and

"(2) who may, if provided for in the public housing agency plan (as developed with appropriate notice and opportunity for comment by the resident advisory board) be elected by the residents directly receiving assistance from the public housing agency.

"(b) EXCEPTION.—Subsection (a) shall not apply to any public housing agency—

"(1) that is located in a State that requires the members of the board of directors of a public housing agency to be salaried and to serve on a full-time basis; or

"(2) with less than 300 units, if—

"(A) the public housing agency has provided reasonable notice to the resident advisory board of the opportunity of not less than 1 resident described in subsection (a) to serve on the board of directors of the public housing agency pursuant to that subsection; and

"(B) within a reasonable time after receipt by the resident advisory board of notice under subparagraph (A), the public housing agency has not been notified of the intention of any resident to participate on the board of directors.

"(c) NONDISCRIMINATION.—No person shall be prohibited from serving on the board of directors or similar governing body of a public housing agency because of the residence of that person in a public housing project.".

SEC. 103. RENTAL PAYMENTS.

(a) IN GENERAL.—Section 3(a)(1)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437a(a)(1)(A)) is amended by inserting before the semicolon the following: " or, if the family resides in public housing, an amount established by the public housing agency, which shall not exceed 30 percent of the monthly adjusted income of the family".

(b) AUTHORITY OF PUBLIC HOUSING AGENCIES.—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) AUTHORITY OF PUBLIC HOUSING AGENCIES.—

"(A) IN GENERAL.—Notwithstanding paragraph (1), a public housing agency may adopt ceiling rents that reflect the reasonable market value of the housing, but that are not less than—

"(i) 75 percent of the monthly cost to operate the housing of the public housing agency; and

"(ii) the monthly cost to make a deposit to a replacement reserve (in the sole discretion of the public housing agency).

"(B) MINIMUM RENT.—Notwithstanding paragraph (1), a public housing agency may provide that each family residing in a public housing project or receiving tenant-based or project-based assistance under section 8 shall pay a minimum monthly rent in an amount not to exceed $25 per month.

"(C) POLICE OFFICERS.—

"(i) IN GENERAL.—Notwithstanding any other provision of law and subject to clause (ii), a public housing agency may, in accordance with the public housing agency plan, allow a police officer who is not otherwise eligible for residence in public housing to reside in a public housing unit. The number and location of units occupied by police officers under this clause, and the terms and conditions of their tenancies, shall be determined by the public housing agency.

"(ii) INCREASED SECURITY.—A public housing agency may take the actions authorized in clause (i) only for the purpose of increasing security for the residents of a public housing project.

"(iii) DEFINITION.—In this subparagraph, the term 'police officer' means any person determined by a public housing agency to be, during the period of residence of that person in public housing, employed on a full-time basis as a duly licensed professional police officer by a Federal, State, or local government or by any agency thereof (including a public housing agency having an accredited police force).

"(D) EXCEPTION TO INCOME LIMITATIONS FOR CERTAIN PUBLIC HOUSING AGENCIES.—

"(i) DEFINITION OF OVER-INCOME FAMILY.—In this subparagraph, the term 'over-income family' means an individual or family that is not a low-income family or a very low-income family.

"(ii) AUTHORIZATION.—Notwithstanding any other provision of law, a public housing agency that manages less than 250 units may, on a month-to-month basis, lease a unit in a public housing project to an over-income family in accordance with this subparagraph, if there are no eligible families applying for residence in that public housing project for that month.

"(iii) TERMS AND CONDITIONS.—The number and location of units occupied by over-income families under this subparagraph, and the terms and conditions of those tenancies, shall be determined by the public housing agency, except that—

"(I) rent for a unit shall be in an amount that is equal to not less than the costs to operate the unit;

"(II) if an eligible family applies for residence after an over-income family moves in to the last available unit, the over-income family shall vacate the unit not later than the date on which the month term expires; and

"(III) if a unit is vacant and there is no one on the waiting list, the public housing agency may allow an over-income family to gain immediate occupancy in the unit, while simultaneously providing reasonable public notice of the availability of the unit.

"(E) ENCOURAGEMENT OF SELF-SUFFICIENCY.—Each public housing agency shall develop a rental policy that encourages and rewards employment and economic self-sufficiency.".

(c) REGULATIONS.—

(1) IN GENERAL.—The Secretary shall, by regulation, after notice and an opportunity for public comment, establish such requirements as may be necessary to carry out section 3(a)(2)(A) of the United States Housing Act of 1937, as amended by this section.

(2) TRANSITION RULE.—

(A) IN GENERAL.—Subject to subparagraph (B), prior to the issuance of final regulations under paragraph (1), a public housing agency may implement ceiling rents, which shall be—

(i) determined in accordance with section 3(a)(2)(A) of the United States Housing Act of 1937 (amended by subsection (b) of this section);

(ii) equal to the 95th percentile of the rent paid for a unit of comparable size by residents in the same public housing project or a group of comparable projects totaling 50 units or more; or

(iii) equal to the fair market rent for the area in which the unit is located.

(B) MINIMUM AMOUNT.—The amount of any ceiling rent implemented by a public housing agency under this paragraph may not be less than 75 percent of the monthly cost to operate the housing.

SEC. 104. DEFINITIONS.

(a) DEFINITIONS.—

(1) SINGLE PERSONS.—Section 3(b)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(3)) is amended—

(A) in subparagraph (A), by striking the third sentence; and

(B) in subparagraph (B), in the second sentence, by striking "regulations of the Secretary" and inserting "public housing agency plan".

(2) 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) ADJUSTED INCOME.—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 the spouse of the head of the household)—

"(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; and

"(E) any other adjustments to earned income that the public housing agency determines to be appropriate, as provided in the public housing agency plan.".

(b) DISALLOWANCE OF EARNED INCOME FROM PUBLIC HOUSING RENT DETERMINATIONS.—

(1) IN GENERAL.—Section 3 of the United States Housing Act of 1937 (42 U.S.C. 1437a) is amended—

(A) by striking the undesignated paragraph at the end of subsection (c)(3) (as added by section 515(b) of the Cranston-Gonzalez National Affordable Housing Act); and

(B) by adding at the end the following:

"(d) DISALLOWANCE OF EARNED INCOME FROM PUBLIC HOUSING RENT DETERMINATIONS.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, the rent payable under subsection (a) by a family—

"(A) that—

"(i) occupies a unit in a public housing project; or

"(ii) receives assistance under section 8; and

"(B) whose income increases as a result of employment of a member of the family who was previously unemployed for 1 or more years (including a family whose income increases as a result of the participation of a family member in any family self-sufficiency or other job training program);

may not be increased as a result of the increased income due to such employment during the 18-month period beginning on the date on which the employment is commenced.

"(2) PHASE-IN OF RATE INCREASES.—After the expiration of the 18-month period referred to in paragraph (1), rent increases due to the continued employment of the family member described in paragraph (1)(B) shall be phased in over a subsequent 3-year period.

"(3) OVERALL LIMITATION.—Rent payable under subsection (a) shall not exceed the amount determined under subsection (a).

"(e) INDIVIDUAL SAVINGS ACCOUNTS.—

"(1) IN GENERAL.—In lieu of a disallowance of earned income under subsection (d), upon the request of a family that qualifies under subsection (d), a public housing agency may establish an individual savings account in accordance with this subsection for that family.

"(2) DEPOSITS TO ACCOUNT.—The public housing agency shall deposit in any savings account established under this subsection an amount equal to the total amount that otherwise would be applied to the family's rent payment under subsection (a) as a result of employment.

"(3) WITHDRAWAL FROM ACCOUNT.—Amounts deposited in a savings account established under this subsection may only be withdrawn by the family for the purpose of—

"(A) purchasing a home;

"(B) paying education costs of family members;

"(C) moving out of public or assisted housing; or

"(D) paying any other expense authorized by the public housing agency for the purpose of promoting the economic self-sufficiency of residents of public and assisted housing.".

(2) APPLICABILITY OF AMENDMENT.—

(A) PUBLIC HOUSING.—Notwithstanding the amendment made by paragraph (1), any resident of public housing participating in the program under the authority contained in the undesignated paragraph at the end of section 3(c)(3) of the United States Housing Act of 1937, as that section existed on the day before the date of enactment of this Act, shall be governed by that authority after that date.

(B) SECTION 8.—The amendment made by paragraph (1) shall apply to tenant-based assistance provided under section 8 of the United States Housing Act of 1937, with funds appropriated on or after October 1, 1997.

(c) DEFINITIONS OF TERMS USED IN REFERENCE TO PUBLIC HOUSING.—

(1) IN GENERAL.—Section 3(c) of the United States Housing Act of 1937 (42 U.S.C. 1437a(c)) is amended—

(A) in paragraph (1), by inserting "and of the fees and related costs normally involved in obtaining non-Federal financing and tax credits with or without private and nonprofit partners" after "carrying charges"; and

(B) in paragraph (2), in the first sentence, by striking "security personnel)," and all that follows through the period and inserting the following: "security personnel), service coordinators, drug elimination activities, or financing in connection with a public housing project, including projects developed with non-Federal financing and tax credits, with or without private and nonprofit partners.".

(2) TECHNICAL CORRECTION.—Section 622(c) of the Housing and Community Development Act of 1992 (Public Law 102-550; 106 Stat. 3817) is amended by striking "'project.'" and inserting "paragraph (3)".

(3) NEW DEFINITIONS.—Section 3(c) of the United States Housing Act of 1937 (42 U.S.C. 1437a(c)) is amended by adding at the end the following:

"(6) PUBLIC HOUSING AGENCY PLAN.—The term 'public housing agency plan' means the plan of the public housing agency prepared in accordance with section 5A.

"(7) DISABLED HOUSING.—The term 'disabled housing' means any public housing project, building, or portion of a project or building, that is designated by a public housing agency for occupancy exclusively by disabled persons or families.

"(8) ELDERLY HOUSING.—The term 'elderly housing' means any public housing project, building, or portion of a project or building, that is designated by a public housing agency exclusively for occupancy exclusively by elderly persons or families, including elderly disabled persons or families.

"(9) MIXED-FINANCE PROJECT.—The term 'mixed-finance project' means a public housing project that meets the requirements of section 30.

"(10) CAPITAL FUND.—The term 'Capital Fund' means the fund established under section 9(c).

"(11) OPERATING FUND.—The term 'Operating Fund' means the fund established under section 9(d).".

SEC. 105. CONTRIBUTIONS FOR LOWER INCOME HOUSING PROJECTS.

(a) IN GENERAL.—Section 5 of the United States Housing Act of 1937 (42 U.S.C. 1437c) is amended by striking subsections (h) through (l).

(b) CONFORMING AMENDMENTS.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(1) in section 21(d), by striking "section 5(h) or";

(2) in section 25(l)(1), by striking "and for sale under section 5(h)"; and

(3) in section 307, by striking "section 5(h) and".

SEC. 106. PUBLIC HOUSING AGENCY PLAN.

(a) IN GENERAL.—Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by inserting after section 5 the following:

"SEC. 5A. PUBLIC HOUSING AGENCY PLANS.

"(a) 5-YEAR PLAN.—

"(1) IN GENERAL.—Subject to paragraph (2), not less than once every 5 fiscal years, each public housing agency shall submit to the Secretary a plan that includes, with respect to the 5 fiscal years immediately following the date on which the plan is submitted—

"(A) a statement of the mission of the public housing agency for serving the needs of low-income and very low-income families in the jurisdiction of the public housing agency during those fiscal years; and

"(B) a statement of the goals and objectives of the public housing agency that will enable the public housing agency to serve the needs identified pursuant to subparagraph (A) during those fiscal years.

"(2) INITIAL PLAN.—The initial 5-year plan submitted by a public housing agency under this subsection shall be submitted for the 5-year period beginning with the first fiscal year following the date of enactment of the Public Housing Reform and Responsibility Act of 1997 for which the public housing agency receives assistance under this Act.

"(b) ANNUAL PLAN.—

"(1) IN GENERAL.—Each public housing agency shall submit to the Secretary a public housing agency plan under this subsection for each fiscal year for which the public housing agency receives assistance under sections 8(o) and 9.

"(2) UPDATES.—For each fiscal year after the initial submission of a plan under this section by a public housing agency, the public housing agency may comply with requirements for submission of a plan under this subsection by submitting an update of the plan for the fiscal year.

"(c) PROCEDURES.—

"(1) IN GENERAL.—The Secretary shall establish requirements and procedures for submission and review of plans, including requirements for timing and form of submission, and for the contents of those plans.

"(2) CONTENTS.—The procedures established under paragraph (1) shall provide that a public housing agency shall—

"(A) consult with the resident advisory board established under subsection (e) in developing the plan; and

"(B) ensure that the plan under this section is consistent with the applicable comprehensive housing affordability strategy (or any consolidated plan incorporating that strategy) for the jurisdiction in which the public housing agency is located, in accordance with title I of the Cranston-Gonzalez National Affordable Housing Act and contains a certification by the appropriate State or local official that the plan meets the requirements of this paragraph and a description of the manner in which the applicable contents of the public housing agency plan are consistent with the comprehensive housing affordability strategy.

"(d) CONTENTS.—An annual public housing agency plan under this section for a public housing agency shall contain the following information relating to the upcoming fiscal year for which the assistance under this Act is to be made available:

"(1) NEEDS.—A statement of the housing needs of low-income and very low-income families residing in the jurisdiction served by the public housing agency, and of other

low-income and very low-income families on the waiting list of the agency (including housing needs of elderly families and disabled families), and the means by which the public housing agency intends, to the maximum extent practicable, to address those needs.

"(2) FINANCIAL RESOURCES.—A statement of financial resources available to the agency and the planned uses of those resources.

"(3) ELIGIBILITY, SELECTION, AND ADMISSIONS POLICIES.—A statement of the policies governing eligibility, selection, admissions (including any preferences), assignment, and occupancy of families with respect to public housing dwelling units and housing assistance under section 8(o).

"(4) RENT DETERMINATION.—A statement of the policies of the public housing agency governing rents charged for public housing dwelling units and rental contributions of assisted families under section 8(o).

"(5) OPERATION AND MANAGEMENT.—A statement of the rules, standards, and policies of the public housing agency governing maintenance and management of housing owned and operated by the public housing agency (which shall include measures necessary for the prevention or eradication of infestation by cockroaches), and management of the public housing agency and programs of the public housing agency.

"(6) GRIEVANCE PROCEDURE.—A statement of the grievance procedures of the public housing agency.

"(7) CAPITAL IMPROVEMENTS.—With respect to public housing developments owned or operated by the public housing agency, a plan describing the capital improvements necessary to ensure long-term physical and social viability of the developments.

"(8) DEMOLITION AND DISPOSITION.—With respect to public housing developments owned or operated by the public housing agency—

"(A) a description of any housing to be demolished or disposed of; and

"(B) a timetable for that demolition or disposition.

"(9) DESIGNATION OF HOUSING FOR ELDERLY AND DISABLED FAMILIES.—With respect to public housing developments owned or operated by the public housing agency, a description of any developments (or portions thereof) that the public housing agency has designated or will designate for occupancy by elderly and disabled families in accordance with section 7.

"(10) CONVERSION OF PUBLIC HOUSING.—With respect to public housing owned or operated by a public housing agency—

"(A) a description of any building or buildings that the public housing agency is required to convert to tenant-based assistance under section 31 or that the public housing agency voluntarily converts under section 22;

"(B) an analysis of those buildings required under that section for conversion; and

"(C) a statement of the amount of grant amounts to be used for rental assistance or other housing assistance.

"(11) HOMEOWNERSHIP ACTIVITIES.—A description of any homeownership programs of the public housing agency and the requirements for participation in and the assistance available under those programs.

"(12) ECONOMIC SELF-SUFFICIENCY AND COORDINATION WITH WELFARE AND OTHER APPROPRIATE AGENCIES.—A description of—

"(A) any programs relating to services and amenities provided or offered to assisted families;

"(B) any policies or programs of the public housing agency for the enhancement of the economic and social self-sufficiency of assisted families; and

"(C) how the public housing agency will comply with the requirements of subsections (c) and (d) of section 12.

"(13) SAFETY AND CRIME PREVENTION.—A description of policies established by the public housing agency that increase or maintain the safety of public housing residents.

"(14) CERTIFICATION.—An annual certification by the public housing agency that the public housing agency will carry out the public housing agency plan in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990, and will affirmatively further the goal of fair housing.

"(15) ANNUAL AUDIT.—The results of the most recent fiscal year audit of the public housing agency.

"(e) RESIDENT ADVISORY BOARD.—

"(1) IN GENERAL.—Except as provided in paragraph (3), each public housing agency shall establish 1 or more resident advisory boards in accordance with this subsection, the membership of which shall adequately reflect and represent the residents of the dwelling units owned, operated, or assisted by the public housing agency.

"(2) PURPOSE.—Each resident advisory board established under this subsection shall assist and make recommendations regarding the development of the public housing agency plan. The public housing agency shall consider the recommendations of the resident advisory boards in preparing the final public housing agency plan, and shall include a copy of those recommendations and a description of the manner in which those recommendations were addressed in the public housing agency plan submitted to the Secretary under this section.

"(3) WAIVER.—The Secretary may waive the requirements of this subsection with respect to the establishment of resident advisory boards, if the public housing agency demonstrates to the satisfaction of the Secretary that there exists a resident council or other resident organization of the public housing agency that—

"(A) adequately represents the interests of the residents of the public housing agency; and

"(B) has the ability to perform the functions described in paragraph (2).

"(f) PUBLICATION OF NOTICE.—

"(1) IN GENERAL.—Not later than 45 days before the date of a hearing conducted under paragraph (2) by the governing body of a public housing agency, the public housing agency shall publish a notice informing the public that—

"(A) the proposed public housing agency plan and all relevant information is available for inspection at the principal office of the public housing agency during normal business hours; and

"(B) a public hearing will be conducted to discuss the public housing agency plan and to invite public comment regarding that plan.

"(2) PUBLIC HEARING.—Each public housing agency shall, at a location that is convenient to residents, conduct a public hearing, as provided in the notice published under paragraph (1).

"(3) ADOPTION OF PLAN.—After conducting the public hearing under paragraph (2), and after considering all public comments received and, in consultation with the resident advisory board, making any appropriate changes in the public housing agency plan, the public housing agency shall—

"(A) adopt the public housing agency plan; and

"(B) submit the plan to the Secretary in accordance with this section.

"(g) AMENDMENTS AND MODIFICATIONS TO PLANS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), nothing in this section shall preclude a public housing agency, after submitting a plan to the Secretary in accordance with this section, from amending or modifying any policy, rule, regulation, or plan of the public housing agency, except that no such significant amendment or modification may be adopted or implemented—

"(A) other than at a duly called meeting of commissioners (or other comparable governing body) of the public housing agency that is open to the public; and

"(B) until notification of the amendment or modification is provided to the Secretary and approved in accordance with subsection (h)(2).

"(2) CONSISTENCY.—Each significant amendment or modification to a public housing agency plan submitted to the Secretary under this section shall—

"(A) meet the consistency requirement of subsection (c)(2);

"(B) be subject to the notice and public hearing requirements of subsection (f); and

"(C) be subject to approval by the Secretary in accordance with subsection (h)(2).

"(h) TIMING OF PLANS.—

"(1) IN GENERAL.—

"(A) INITIAL SUBMISSION.—Each public housing agency shall submit the initial plan required by this section, and any amendment or modification to the initial plan, to the Secretary at such time and in such form as the Secretary shall require.

"(B) ANNUAL SUBMISSION.—Not later than 60 days prior to the start of the fiscal year of the public housing agency, after initial submission of the plan required by this section in accordance with subparagraph (A), each public housing agency shall annually submit to the Secretary a plan update, including any amendments or modifications to the public housing agency plan.

"(2) REVIEW AND APPROVAL.—

"(A) REVIEW.—Subject to subparagraph (B), after submission of the public housing agency plan or any amendment or modification to the plan to the Secretary, to the extent that the Secretary considers such action to be necessary to make determinations under this subparagraph, the Secretary shall review the public housing agency plan (including any amendments or modifications thereto) to determine whether the contents of the plan—

"(i) set forth the information required by this section to be contained in a public housing agency plan;

"(ii) are consistent with information and data available to the Secretary, including the approved comprehensive housing affordability strategy under title I of the Cranston-Gonzalez National Affordable Housing Act of the jurisdiction in which the public housing agency is located; and

"(iii) are prohibited by or inconsistent with any provision of this title or other applicable law.

"(B) EXCEPTION.—

"(i) IN GENERAL.—Except as provided in clause (ii), the Secretary may, by regulation, provide that 1 or more elements of a public housing agency plan shall be reviewed only if the element is challenged.

"(ii) INAPPLICABILITY TO CERTAIN PROVISIONS.—Notwithstanding clause (i), the Secretary shall review the information submitted under paragraphs (7) and (14) of subsection (d).

"(C) APPROVAL.—

"(i) IN GENERAL.—Except as provided in paragraph (3)(B), not later than 60 days after the date on which a public housing agency plan is submitted in accordance with this section (or, with respect to the initial provision of notice under this subparagraph, not later than 75 days after the date on which the initial public housing agency plan is submitted in accordance with this section), the Secretary shall provide written notice to the public housing agency if the plan has been disapproved, stating with specificity the reasons for the disapproval.

"(ii) FAILURE TO PROVIDE NOTICE OF DISAPPROVAL.—If the Secretary does not provide notice of disapproval under clause (i) before the expiration of the period described in clause (i), the public housing agency plan shall be deemed to be approved by the Secretary.

"(D) PUBLIC AVAILABILITY.—The public housing agency shall make the approved plan available to the general public.

"(3) SECRETARIAL DISCRETION.—

"(A) IN GENERAL.—The Secretary may require such additional information as the Secretary determines to be appropriate for each public housing agency that is—

"(i) at risk of being designated as troubled under section 6(j); or

"(ii) designated as troubled under section 6(j).

"(B) TROUBLED AGENCIES.—The Secretary shall provide explicit written approval or disapproval, in a timely manner, for a public housing agency plan submitted by any public housing agency designated by the Secretary as a troubled public housing agency under section 6(j).

"(C) ADVISORY BOARD CONSULTATION ENFORCEMENT.—Following a written request by the resident advisory board that documents a failure on the part of the public housing agency to provide adequate notice and opportunity for comment under subsection (f), and upon a Secretarial finding of good cause within the time period provided for in paragraph (2)(B) of this subsection, the Secretary may require the public housing agency to adequately remedy that failure prior to a final approval of the public housing agency plan under this section.

"(4) STREAMLINED PLAN.—In carrying out this section, the Secretary may establish a streamlined public housing agency plan for—

"(A) public housing agencies that are determined by the Secretary to be high performing public housing agencies;

"(B) public housing agencies with less than 250 public housing units that have not been designated as troubled under section 6(j); and

"(C) public housing agencies that only administer tenant-based assistance and that do not own or operate public housing.

"(5) COMPLIANCE WITH PLAN.—

"(A) IN GENERAL.—In providing assistance under this title, a public housing agency shall comply with the rules, standards, and policies established in the public housing agency plan of the public housing agency approved under this section.

"(B) INVESTIGATION AND ENFORCEMENT.—In carrying out this title, the Secretary shall—

"(i) provide an appropriate response to any complaint concerning noncompliance by a public housing agency with the applicable public housing agency plan; and

"(ii) if the Secretary determines, based on a finding of the Secretary or other information available to the Secretary, that a public housing agency is not complying with the applicable public housing agency plan, take such actions as the Secretary determines to be appropriate to ensure such compliance.".

(b) IMPLEMENTATION.—

(1) INTERIM RULE.—Not later than 120 days after the date of enactment of this Act, the Secretary shall issue an interim rule to require the submission of an interim public housing agency plan by each public housing agency, as required by section 5A of the United States Housing Act of 1937 (as added by subsection (a) of this section).

(2) FINAL REGULATIONS.—Not later than 1 year after the date of enactment of this Act, in accordance with the negotiated rulemaking procedures set forth in subchapter III of chapter 5 of title 5, United States Code, the Secretary shall promulgate final regulations implementing section 5A of the United States Housing Act of 1937 (as added by subsection (a) of this section).

(c) AUDIT AND REVIEW; REPORT.—

(1) AUDIT AND REVIEW.—Not later than 1 year after the effective date of final regulations promulgated under subsection (b)(2), in order to determine the degree of compliance with public housing agency plans approved under section 5A of the United States Housing Act of 1937 (as added by subsection (a) of this section) by public housing agencies, the Comptroller General of the United States shall conduct—

(A) a review of a representative sample of the public housing agency plans approved under such section 5A before that date; and

(B) an audit and review of the public housing agencies submitting those plans.

(2) REPORT.—Not later than 2 years after the date on which public housing agency plans are initially required to be submitted under section 5A of the United States Housing Act of 1937 (as added by subsection (a) of this section) the Comptroller General of the United States shall submit to Congress a report, which shall include—

(A) a description of the results of each audit and review under paragraph (1); and

(B) any recommendations for increasing compliance by public housing agencies with their public housing agency plans approved under section 5A of the United States Housing Act of 1937 (as added by subsection (a) of this section).

SEC. 107. CONTRACT PROVISIONS AND REQUIREMENTS.

(a) CONDITIONS.—Section 6(a) of the United States Housing Act of 1937 (42 U.S.C. 1437d(a)) is amended—

(1) in the first sentence, by inserting ", in a manner consistent with the public housing agency plan" before the period; and

(2) by striking the second sentence.

(b) REPEAL OF FEDERAL PREFERENCES; REVISION OF MAXIMUM INCOME LIMITS; CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS; NOTIFICATION OF ELIGIBILITY.—Section 6(c) of the United States Housing Act of 1937 (42 U.S.C. 1437d(c)) is amended to read as follows:

"(c) ACCOUNTING SYSTEM FOR RENTAL COLLECTIONS AND COSTS.—

"(1) ESTABLISHMENT.—Each public housing agency that receives grant amounts under this title shall establish and maintain a system of accounting for rental collections and costs (including administrative, utility, maintenance, repair, and other operating costs) for each project.

"(2) ACCESS TO RECORDS.—Each public housing agency shall make available to the general public the information required pursuant to paragraph (1) regarding collections and costs.

"(3) EXEMPTION.—The Secretary may permit authorities owning or operating fewer than 500 dwelling units to comply with the requirements of this subsection by accounting on an agency-wide basis.".

(c) EXCESS FUNDS.—Section 6(e) of the United States Housing Act of 1937 (42 U.S.C. 1437d(e)) is amended to read as follows:

"(e) [Reserved.]".

(d) PERFORMANCE INDICATORS FOR PUBLIC HOUSING AGENCIES.—Section 6(j) of the United States Housing Act of 1937 (42 U.S.C. 1437d(j)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (B)—

(i) by striking "obligated" and inserting "provided"; and

(ii) by striking "unexpended" and inserting "unobligated by the public housing agency";

(B) in subparagraph (D), by striking "energy" and inserting "utility";

(C) by redesignating subparagraph (H) as subparagraph (L); and

(D) by inserting after subparagraph (G) the following:

"(H) The extent to which the public housing agency—

"(i) coordinates, promotes, or provides effective programs and activities to promote the economic self-sufficiency of public housing residents; and

"(ii) provides public housing residents with opportunities for involvement in the administration of the public housing.

"(I) The extent to which the public housing agency implements—

"(i) effective screening and eviction policies; and

"(ii) other anticrime strategies;

including the extent to which the public housing agency coordinates with local government officials and residents in the development and implementation of these strategies.

"(J) The extent to which the public housing agency is providing acceptable basic housing conditions.

"(K) The extent to which the public housing agency successfully meets the goals and carries out the activities and programs of the public housing agency plan under section 5(A).";

(2) in paragraph (2)(A)(i), by inserting after the first sentence the following: "The Secretary may use a simplified set of indicators for public housing agencies with less than 250 public housing units."; and

(3) by adding at the end the following:

"(5)(A) To the extent that the Secretary determines such action to be necessary in order to ensure the accuracy of any certification made under this section, the Secretary shall require an independent auditor to review documentation or other information maintained by a public housing agency or resident management corporation pursuant to this section to substantiate each certification submitted by the agency or corporation relating to the performance of that agency or corporation.

"(B) The Secretary may withhold, from assistance otherwise payable to the agency or corporation under section 9, amounts sufficient to pay for the reasonable costs of any review under this paragraph.".

(e) DRUG-RELATED AND CRIMINAL ACTIVITY.—Section 6(k) of the United States Housing Act of 1937 (42 U.S.C. 1437d(k)) is amended, in the matter following paragraph (6)—

(1) by striking "drug-related" and inserting "violent or drug-related"; and

(2) by inserting "or any activity resulting in a felony conviction," after "on or off such premises,".

(f) LEASES.—Section 6(l) of the United States Housing Act of 1937 (42 U.S.C. 1437d(l)) is amended—

(1) in paragraph (3), by striking "not be less than" and all that follows through the end of paragraph (3) and inserting: "be the period of time required under State or local law, except that the public housing agency may provide such notice within a reasonable time which does not exceed the lesser of—

"(A) the period provided under applicable State or local law; or

"(B) 30 days—

"(i) if the health or safety of other tenants, public housing agency employees, or persons residing in the immediate vicinity of the premises is threatened; or

"(ii) in the event of any drug-related or violent criminal activity or any felony conviction;";

(2) in paragraph (6), by striking "and" at the end;

(3) by redesignating paragraph (7) as paragraph (8); and

(4) by inserting after paragraph (6) following:

"(7) provide that any occupancy in violation of section 7(e)(1) or the furnishing of any false or misleading information pursuant to section 7(e)(2) shall be cause for termination of tenancy; and".

(g) PUBLIC HOUSING ASSISTANCE TO FOSTER CARE CHILDREN.—Section 6(o) of the United States Housing Act of 1937 (42 U.S.C. 1437d(o)) is amended by striking "Subject" and all that follows through ", in" and inserting "In".

(h) PREFERENCE FOR AREAS WITH INADEQUATE SUPPLY OF VERY LOW-INCOME HOUSING.—Section 6(p) of the United States Housing Act of 1937 (42 U.S.C. 1437d(p)) is amended to read as follows:

"(p) [Reserved.]".

(i) TRANSITION RULE RELATING TO PREFERENCES.—During the period beginning on the date of enactment of this Act and ending on the date on which the initial public housing agency plan of a public housing agency is approved under section 5A of the United States Housing Act of 1937 (as added by this Act) the public housing agency may establish local preferences for making available public housing under the United States Housing Act of 1937 and for providing tenant-based assistance under section 8 of that Act.

SEC. 108. EXPANSION OF POWERS FOR DEALING WITH PUBLIC HOUSING AGENCIES IN SUBSTANTIAL DEFAULT.

(a) IN GENERAL.—Section 6(j)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437d) is amended—

(1) in subparagraph (A)—

(A) by striking clause (i) and inserting the following:

"(i) solicit competitive proposals from other public housing agencies and private housing management agents that, in the discretion of the Secretary, may be selected by existing public housing residents through administrative procedures established by the Secretary; if appropriate, these proposals shall provide for such agents to manage all, or part, of the housing administered by the public housing agency or all or part of the other programs of the agency;";

(B) by striking clause (iv) and inserting the following:

"(v) require the agency to make other arrangements acceptable to the Secretary and in the best interests of the public housing residents and families assisted under section 8 for managing all, or part, of the public housing administered by the agency or of the programs of the agency."; and

(C) by inserting after clause (iii) the following:

"(iv) take possession of all or part of the public housing agency, including all or part of any project or program of the agency, including any project or program under any other provision of this title; and"; and

(2) by striking subparagraphs (B) through (D) and inserting the following:

"(B)(i) If a public housing agency is identified as troubled under this subsection, the Secretary shall notify the agency of the troubled status of the agency.

"(ii)(I) Upon the expiration of the 1-year period beginning on the later of the date on which the agency receives notice from the Secretary of the troubled status of the agency under clause (i) and the date of enactment of the Public Housing Reform and Responsibility Act of 1997, the Secretary shall—

"(aa) in the case of a troubled public housing agency with 1,250 or more units, petition for the appointment of a receiver pursuant to subparagraph (A)(ii); or

"(bb) in the case of a troubled public housing agency with fewer than 1,250 units, either petition for the appointment of a receiver pursuant to subparagraph (A)(ii), or take possession of the public housing agency (including all or part of any project or program of the agency) pursuant to subparagraph (A)(iv) and appoint, on a competitive or noncompetitive basis, an individual or entity as an administrative receiver to assume the responsibilities of the Secretary for the administration of all or part of the public housing agency (including all or part of any project or program of the agency).

"(II) During the period between the date on which a petition is filed under item (aa) and the date on which a receiver assumes responsibility for the management of the public housing agency under that item, the Secretary may take possession of the public housing agency (including all or part of any project or program of the agency) pursuant to subparagraph (A)(iv) and may appoint, on a competitive or noncompetitive basis, an individual or entity as an administrative receiver to assume the responsibilities of the Secretary for the administration of all or part of the public housing agency (including all or part of any project or program of the agency).

"(C) If a receiver is appointed pursuant to subparagraph (A)(ii), in addition to the powers accorded by the court appointing the receiver, the receiver—

"(i) may abrogate any contract to which the United States or an agency of the United States is not a party that, in the receiver's written determination (which shall include the basis for such determination), substantially impedes correction of the substantial default, but only after the receiver determines that reasonable efforts to renegotiate such contract have failed;

"(ii) may demolish and dispose of all or part of the assets of the public housing agency (including all or part of any project of the agency) in accordance with section 18, including disposition by transfer of properties to resident-supported nonprofit entities;

"(iii) if determined to be appropriate by the Secretary, may seek the establishment, as permitted by applicable State and local law, of 1 or more new public housing agencies;

"(iv) if determined to be appropriate by the Secretary, may seek consolidation of all or part of the agency (including all or part of any project or program of the agency), as permitted by applicable State and local laws, into other well-managed public housing agencies with the consent of such well-managed agencies; and

"(v) shall not be required to comply with any State or local law relating to civil service requirements, employee rights (except civil rights), procurement, or financial or administrative controls that, in the receiver's written determination (which shall include the basis for such determination), substantially impedes correction of the substantial default.

"(D)(i) If the Secretary takes possession of all or part of the public housing agency, including all or part of any project or program of the agency, pursuant to subparagraph (A)(iv), the Secretary—

"(I) may abrogate any contract to which the United States or an agency of the United States is not a party that, in the written determination of the Secretary (which shall include the basis for such determination), substantially impedes correction of the substantial default, but only after the Secretary determines that reasonable efforts to renegotiate such contract have failed;

"(II) may demolish and dispose of all or part of the assets of the public housing agency (including all or part of any project of the agency) in accordance with section 18, including disposition by transfer of properties to resident-supported nonprofit entities;

"(III) may seek the establishment, as permitted by applicable State and local law, of 1 or more new public housing agencies;

"(IV) may seek consolidation of all or part of the agency (including all or part of any project or program of the agency), as permitted by applicable State and local laws, into other well-managed public housing agencies with the consent of such well-managed agencies;

"(V) shall not be required to comply with any State or local law relating to civil service requirements, employee rights (except civil rights), procurement, or financial or administrative controls that, in the Secretary's written determination (which shall include the basis for such determination), substantially impedes correction of the substantial default; and

"(VI) shall, without any action by a district court of the United States, have such additional authority as a district court of the United States would have the authority to confer upon a receiver to achieve the purposes of the receivership.

"(ii) If the Secretary, pursuant to subparagraph (B)(ii)(II), appoints an administrative receiver to assume the responsibilities of the Secretary for the administration of all or part of the public housing agency (including all or part of any project or program of the agency), the Secretary may delegate to the administrative receiver any or all of the powers given the Secretary by this subparagraph, as the Secretary determines to be appropriate.

"(iii) Regardless of any delegation under this subparagraph, an administrative receiver may not seek the establishment of 1 or more new public housing agencies pursuant to clause (i)(III) or the consolidation of all or part of an agency into other well-managed agencies pursuant to clause (i)(IV), unless the Secretary first approves an application by the administrative receiver to authorize such action.

"(E) The Secretary may make available to receivers and other entities selected or appointed pursuant to this paragraph such assistance as the Secretary determines in the discretion of the Secretary is necessary and available to remedy the substantial deterioration of living conditions in individual public housing developments or other related

emergencies that endanger the health, safety, and welfare of public housing residents or families assisted under section 8. A decision made by the Secretary under this paragraph is not subject to review in any court of the United States, or in any court of any State, territory, or possession of the United States.

"(F) In any proceeding under subparagraph (A)(ii), upon a determination that a substantial default has occurred, and without regard to the availability of alternative remedies, the court shall appoint a receiver to conduct the affairs of all or part of the public housing agency in a manner consistent with this Act and in accordance with such further terms and conditions as the court may provide. The receiver appointed may be another public housing agency, a private management corporation, or any other person or appropriate entity. The court shall have power to grant appropriate temporary or preliminary relief pending final disposition of the petition by the Secretary.

"(G) The appointment of a receiver pursuant to this paragraph may be terminated, upon the petition of any party, when the court determines that all defaults have been cured or the public housing agency is capable again of discharging its duties.

"(H) If the Secretary (or an administrative receiver appointed by the Secretary) takes possession of a public housing agency (including all or part of any project or program of the agency), or if a receiver is appointed by a court, the Secretary or receiver shall be deemed to be acting not in the official capacity of that person or entity, but rather in the capacity of the public housing agency, and any liability incurred, regardless of whether the incident giving rise to that liability occurred while the Secretary or receiver was in possession of all or part of the public housing agency (including all or part of any project or program of the agency), shall be the liability of the public housing agency.".

(b) APPLICABILITY.—The provisions of, and duties and authorities conferred or confirmed by, the amendments made by subsection (a) shall apply with respect to any action taken before, on, or after the effective date of this Act and shall apply to any receiver appointed for a public housing agency before the date of enactment of this Act.

(c) TECHNICAL CORRECTION REGARDING APPLICABILITY TO SECTION 8.—Section 8(h) of the United States Housing Act of 1937 is amended by inserting "(except as provided in section 6(j)(3))" after "6".

SEC. 109. PUBLIC HOUSING SITE-BASED WAITING LISTS.

Section 6 of the United States Housing Act of 1937 is amended by adding at the end the following:

"(s) SITE-BASED WAITING LISTS.—

"(1) IN GENERAL.—A public housing agency may establish, in accordance with guidelines established by the Secretary, procedures for maintaining waiting lists for admissions to public housing developments of the agency, which may include a system under which applicants may apply directly at or otherwise designate the development or developments in which they seek to reside.

"(2) CIVIL RIGHTS.—Any procedures established under paragraph (1) shall comply with title VI of the Civil Rights Act of 1964, the Fair Housing Act, and other applicable civil rights laws.

"(3) NOTICE REQUIRED.—Any system described in paragraph (1) shall provide for the full disclosure by the public housing agency to each applicant of any option available to the applicant in the selection of the development in which to reside.".

SEC. 110. PUBLIC HOUSING CAPITAL AND OPERATING FUNDS.

(a) IN GENERAL.—Section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437g) is amended to read as follows:

"SEC. 9. PUBLIC HOUSING CAPITAL AND OPERATING FUNDS.

"(a) IN GENERAL.—Except for assistance provided under section 8 of this Act or as otherwise provided in the Public Housing Reform and Responsibility Act of 1997, all programs under which assistance is provided for public housing under this Act on the day before October 1, 1998, shall be merged, as appropriate, into either—

"(1) the Capital Fund established under subsection (c); or

"(2) the Operating Fund established under subsection (d).

"(b) USE OF EXISTING FUNDS.—With the exception of funds made available pursuant to section 8 or section 20(f) and funds made available for the urban revitalization demonstration program authorized under the Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Acts—

"(1) funds made available to the Secretary for public housing purposes that have not been obligated by the Secretary to a public housing agency as of October 1, 1998, shall be made available, for the period originally provided in law, for use in either the Capital Fund or the Operating Fund, as appropriate; and

"(2) funds made available to the Secretary for public housing purposes that have been obligated by the Secretary to a public housing agency but that, as of October 1, 1998, have not been obligated by the public housing agency, may be made available by that public housing agency, for the period originally provided in law, for use in either the Capital Fund or the Operating Fund, as appropriate.

"(c) CAPITAL FUND.—

"(1) IN GENERAL.—The Secretary shall establish a Capital Fund for the purpose of making assistance available to public housing agencies to carry out capital and management activities, including—

"(A) the development and modernization of public housing projects, including the redesign, reconstruction, and reconfiguration of public housing sites and buildings and the development of mixed-finance projects;

"(B) vacancy reduction;

"(C) addressing deferred maintenance needs and the replacement of dwelling equipment;

"(D) planned code compliance;

"(E) management improvements;

"(F) demolition and replacement;

"(G) resident relocation;

"(H) capital expenditures to facilitate programs to improve the empowerment and economic self-sufficiency of public housing residents and to improve resident participation;

"(I) capital expenditures to improve the security and safety of residents; and

"(J) homeownership activities.

"(2) ESTABLISHMENT OF CAPITAL FUND FORMULA.—The Secretary shall develop a formula for providing assistance under the Capital Fund, which may take into account—

"(A) the number of public housing dwelling units owned or operated by the public housing agency and the percentage of those units that are occupied by very low-income families;

"(B) if applicable, the reduction in the number of public housing units owned or operated by the public housing agency as a result of any conversion to a system of tenant-based assistance;

"(C) the costs to the public housing agency of meeting the rehabilitation and modernization needs, and meeting the reconstruction, development, replacement housing, and demolition needs of public housing dwelling units owned and operated by the public housing agency;

"(D) the degree of household poverty served by the public housing agency;

"(E) the costs to the public housing agency of providing a safe and secure environment in public housing units owned and operated by the public housing agency;

"(F) the ability of the public housing agency to effectively administer the Capital Fund distribution of the public housing agency; and

"(G) any other factors that the Secretary determines to be appropriate.

"(3) CONDITION ON USE OF THE CAPITAL FUND FOR DEVELOPMENT AND MODERNIZATION.—

"(A) DEVELOPMENT.—Any public housing developed using amounts provided under this subsection shall be operated for a 40-year period under the terms and conditions applicable to public housing during that period, beginning on the date on which the development (or stage of development) becomes available for occupancy.

"(B) MODERNIZATION.—Any public housing, or portion thereof, that is modernized using amounts provided under this subsection shall be maintained and operated for a 20-year period under the terms and conditions applicable to public housing during that period, beginning on the latest date on which modernization is completed.

"(C) APPLICABILITY OF LATEST EXPIRATION DATE.—Public housing subject to this paragraph or to any other provision of law mandating the operation of the housing as public housing or under the terms and conditions applicable to public housing for a specified length of time shall be maintained and operated as required until the latest expiration date.

"(d) OPERATING FUND.—

"(1) IN GENERAL.—The Secretary shall establish an Operating Fund for the purpose of making assistance available to public housing agencies for the operation and management of public housing, including—

"(A) procedures and systems to maintain and ensure the efficient management and operation of public housing units (including amounts sufficient to pay for the reasonable costs of review by an independent auditor of the documentation or other information maintained pursuant to section 6(j)(5) by a public housing agency or resident management corporation to substantiate the performance of that agency or corporation);

"(B) activities to ensure a program of routine preventative maintenance;

"(C) anticrime and antidrug activities, including the costs of providing adequate security for public housing residents;

"(D) activities related to the provision of services, including service coordinators for elderly persons or persons with disabilities;

"(E) activities to provide for management and participation in the management and policymaking of public housing by public housing residents;

"(F) the costs associated with the operation and management of mixed-finance projects, to the extent appropriate (including the funding of an operating reserve to ensure affordability for low-income and very low-income families in lieu of the availability of operating funds for public housing units in a mixed-finance project);

"(G) the reasonable costs of insurance;

"(H) the reasonable energy costs associated with public housing units, with an emphasis on energy conservation; and

"(I) the costs of administering a public housing work program under section 12, including the costs of any related insurance needs.

"(2) ESTABLISHMENT OF OPERATING FUND FORMULA.—The Secretary shall establish a formula for providing assistance under the Operating Fund, which may take into account—

"(A) standards for the costs of operation and reasonable projections of income, taking into account the character and location of the public housing project and characteristics of the families served, or the costs of providing comparable services as determined with criteria or a formula representing the operations of a prototype well-managed public housing project;

"(B) the number of public housing dwelling units owned and operated by the public housing agency, the percentage of those units that are occupied by very low-income families, and, if applicable, the reduction in the number of public housing units as a result of any conversion to a system of tenant-based assistance;

"(C) the degree of household poverty served by a public housing agency;

"(D) the extent to which the public housing agency provides programs and activities designed to promote the economic self-sufficiency and management skills of public housing residents;

"(E) the number of dwelling units owned and operated by the public housing agency that are chronically vacant and the amount of assistance appropriate for those units;

"(F) the costs of the public housing agency associated with anticrime and antidrug activities, including the costs of providing adequate security for public housing residents;

"(G) the ability of the public housing agency to effectively administer the Operating Fund distribution of the public housing agency; and

"(H) any other factors that the Secretary determines to be appropriate.

"(e) LIMITATIONS ON USE OF FUNDS.—

"(1) IN GENERAL.—Each public housing agency may use not more than 20 percent of the Capital Fund distribution of the public housing agency for activities that are eligible for assistance under the Operating Fund under subsection (d), if the public housing agency plan provides for such use.

"(2) NEW CONSTRUCTION.—

"(A) IN GENERAL.—A public housing agency may not use any of the Capital Fund or Operating Fund distributions of the public housing agency for the purpose of constructing any public housing unit, if such construction would result in a net increase in the number of public housing units owned or operated by the public housing agency on the date of enactment of the Public Housing Reform and Responsibility Act of 1997, including any public housing units demolished as part of any revitalization effort.

"(B) EXCEPTION.—

"(i) IN GENERAL.—Notwithstanding subparagraph (A), a public housing agency may use the Capital Fund or Operating Fund distributions of the public housing agency for the construction and operation of housing units that are available and affordable to low-income families in excess of the limitations on new construction set forth in subparagraph (A), except that the formulas established under subsections (c)(2) and (d)(2) shall not provide additional funding for the specific purpose of allowing construction and operation of housing in excess of those limitations.

"(ii) EXCEPTION.—Notwithstanding clause (i), subject to reasonable limitations set by the Secretary, the formulae established under subsections (c)(2) and (d)(2) may provide additional funding for the operation and modernization costs (but not the initial development costs) of housing in excess of amounts otherwise permitted under this paragraph if—

"(I) those units are part of a mixed-finance project or otherwise leverage significant additional private or public investment; and

"(II) the estimated cost of the useful life of the project is less than the estimated cost of providing tenant-based assistance under section 8(o) for the same period of time.

"(f) DIRECT PROVISION OF OPERATING AND CAPITAL ASSISTANCE.—

"(1) IN GENERAL.—The Secretary shall directly provide operating and capital assistance under this section to a resident management corporation managing a public housing development pursuant to a contract under this section, but only if—

"(A) the resident management corporation petitions the Secretary for the release of the funds

"(B) the contract provides for the resident management corporation to assume the primary management responsibilities of the public housing agency; and

"(C) the Secretary determines that the corporation has the capability to effectively discharge such responsibilities.

"(2) USE OF ASSISTANCE.—Any operating and capital assistance provided to a resident management corporation pursuant to this subsection shall be used for purposes of operating the public housing developments of the agency and performing such other eligible activities with respect to public housing as may be provided under the contract.

"(3) RESPONSIBILITY OF PUBLIC HOUSING AGENCY.—If the Secretary provides direct funding to a resident management corporation under this subsection, the public housing agency shall not be responsible for the actions of the resident management corporation.

"(g) TECHNICAL ASSISTANCE.—To the extent approved in advance in appropriations Acts, the Secretary may make grants or enter into contracts in accordance with this subsection for purposes of providing, either directly or indirectly—

"(1) technical assistance to public housing agencies, resident councils, resident organizations, and resident management corporations, including assistance relating to monitoring and inspections;

"(2) training for public housing agency employees and residents;

"(3) data collection and analysis; and

"(4) training, technical assistance, and education to assist public housing agencies that are—

"(A) at risk of being designated as troubled under section 6(j) from being so designated; and

"(B) designated as troubled under section 6(j) in achieving the removal of that designation.

"(h) EMERGENCY RESERVE.—

"(1) IN GENERAL.—

"(A) SET-ASIDE.—In each fiscal year, the Secretary shall set aside not more than 2 percent of the amount made available for use under the capital fund to carry out this section for that fiscal year for use in accordance with this subsection.

"(B) USE OF FUNDS.—Amounts set aside under this paragraph shall be available to the Secretary for use in connection with—

"(i) emergencies and other disasters;

"(ii) housing needs resulting from any settlement of litigation; and

"(iii) the Operation Safe Home program, except that amounts set aside under this clause may not exceed $10,000,000 in any fiscal year.

"(2) LIMITATION.—With respect to any fiscal year, the Secretary may carry over not more than a total of $25,000,000 in unobligated amounts set aside under this subsection for use in connection with the activities described in paragraph (1)(B) during the succeeding fiscal year.

"(3) REPORTS.—The Secretary and the Office of Inspector General shall report 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 regarding the feasibility of transferring the authority to administer the program functions implemented to reduce violent crime in public housing under Operation Safe Home to the Office of Public and Indian Housing or to the Department of Justice.

"(4) PUBLICATION.—The Secretary shall publish the use of any amounts allocated under this subsection relating to emergencies (other disasters and housing needs resulting from any settlement of litigation) in the Federal Register.

"(5) ELIGIBLE USES.—In carrying out this subsection, the Secretary may use amounts set aside under this subsection for—

"(A) any eligible use under the Operating Fund or the Capital Fund established by this section; or

"(B) the provision of tenant-based assistance in accordance with section 8.

"(i) PENALTY FOR SLOW EXPENDITURE OF CAPITAL FUNDS.—

"(1) IN GENERAL.—

"(A) TIME PERIOD.—Except as provided in paragraph (2), and subject to subparagraph (B) of this paragraph, a public housing agency shall obligate any assistance received under this section not later than 24 months after, as applicable—

"(i) the date on which the funds become available to the agency for obligation in the case of modernization; or

"(ii) the date on which the agency accumulates adequate funds to undertake comprehensive modernization, substantial rehabilitation, or new construction of units.

"(B) EXTENSION OF TIME PERIOD.—The Secretary—

"(i) may, extend the time period described in subparagraph (A) , for such period of time as the Secretary determines to be necessary, if the Secretary determines that the failure of the public housing agency to obligate assistance in a timely manner is attributable to—

"(I) litigation;

"(II) obtaining approvals of a Federal, State, or local government;

"(III) complying with environmental assessment and abatement requirements;

"(IV) relocating residents;

"(V) an event beyond the control of the public housing agency; or

"(VI) any other reason established by the Secretary by notice published in the Federal Register;

"(ii) shall disregard the requirements of subparagraph (A) with respect to any unobligated amounts made available to a public housing agency, to the extent that the total of those amounts does not exceed 10 percent of the original amount made available to the public housing agency; and

"(iii) may, with the prior approval of the Secretary, extend the period of time described in subparagraph (A), for an additional period not to exceed 12 months, based on—

"(I) the size of the public housing agency;

"(II) the complexity of capital program of the public housing agency;

"(III) any limitation on the ability of the public housing agency to obligate the Capital Fund distributions of the public housing agency in a timely manner as a result of State or local law; or

"(IV) such other factors as the Secretary determines to be relevant.

"(C) EFFECT OF FAILURE TO COMPLY.—

"(i) IN GENERAL.—A public housing agency shall not be awarded assistance under this section for any month during any fiscal year in which the public housing agency has funds unobligated in violation of subparagraph (A) or (B).

"(ii) EFFECT OF FAILURE TO COMPLY.—During any fiscal year described in clause (i), the Secretary shall withhold all assistance that would otherwise be provided to the public housing agency. If the public housing agency cures its default during the year, it shall be provided with the share attributable to the months remaining in the year.

"(iii) REDISTRIBUTION.—The total amount of any funds not provided public housing agencies by operation of this subparagraph shall be distributed to high-performing agencies, as determined under section 6(j).

"(2) EXCEPTION.—

"(A) IN GENERAL.—Subject to subparagraph (B), if the Secretary has consented, before the date of enactment of the Public Housing Reform and Responsibility Act of 1997, to an obligation period for any agency longer than provided under paragraph (1)(A), a public housing agency that obligates its funds before the expiration of that period shall not be considered to be in violation of paragraph (1)(A).

"(B) FISCAL YEAR 1995.—Notwithstanding subparagraph (A)—

"(i) any funds appropriated to a public housing agency for fiscal year 1995, or for any preceding fiscal year, shall be fully obligated by the public housing agency not later than September 30, 1998; and

"(ii) any funds appropriated to a public housing agency for fiscal year 1996 or 1997 shall be fully obligated by the public housing agency not later than September 30, 1999.

"(3) EXPENDITURE OF AMOUNTS.—

"(A) IN GENERAL.—A public housing agency shall spend any assistance received under this section not later than 4 years (plus the period of any extension approved by the Secretary under paragraph (1)(B)) after the date on which funds become available to the agency for obligation.

"(B) ENFORCEMENT.—The Secretary shall enforce the requirement of subparagraph (A) through default remedies up to and including withdrawal of the funding.

"(4) RIGHT OF RECAPTURE.—Any obligation entered into by a public housing agency shall be subject to the right of the Secretary to recapture the obligated amounts for violation by the public housing agency of the requirements of this subsection.".

(b) IMPLEMENTATION; EFFECTIVE DATE; TRANSITION PERIOD.—

(1) IMPLEMENTATION.—Not later than 1 year after the date of enactment of this Act, in accordance with the negotiated rulemaking procedures set forth in subchapter III of chapter 5 of title 5, United States Code, the Secretary shall establish the formulas described in subsections (c)(3) and (d)(2) of section 9 of the United States Housing Act of 1937, as amended by this section.

(2) EFFECTIVE DATE.—The formulas established under paragraph (1) shall be effective only with respect to amounts made available under section 9 of the United States Housing Act of 1937, as amended by this section, in fiscal year 1999 or in any succeeding fiscal year.

(3) TRANSITION PERIOD.—

(A) IN GENERAL.—Subject to subparagraph (B), prior to the effective date described in paragraph (2), the Secretary shall provide that each public housing agency shall receive funding under sections 9 and 14 of the United States Housing Act of 1937, as those sections existed on the day before the date of enactment of this Act.

(B) QUALIFICATION.—If a public housing agency establishes a rental amount that is less than 30 percent of the monthly adjusted income of the family under section 3(a)(1)(A) of the United States Housing Act of 1937 (as amended by section 103(a) of this Act), or a rental amount that is based on an adjustment to income under section 3(b)(5)(E) (as amended by section 104(a)(2) of this Act), the Secretary shall not take into account any reduction of or increase in the per unit dwelling rental income of the public housing agency resulting from the use of that rental amount in calculating the contributions for the public housing agency for the operation of the public housing under section 9 of the United States Housing Act of 1937 (as in existence on the day before the date of enactment of this Act).

SEC. 111. COMMUNITY SERVICE AND SELF-SUFFICIENCY.

Section 12 of the United States Housing Act of 1937 (42 U.S.C. 1437j) is amended by adding at the end the following:

"(c) COMMUNITY SERVICE AND SELF-SUFFICIENCY REQUIREMENT.—

"(1) MINIMUM REQUIREMENT.—Notwithstanding any other provision of law, each adult resident of a public housing project shall—

"(A) contribute not less than 8 hours per month of community service (not to include any political activity) within the community in which that adult resides; or

"(B) participate in a self-sufficiency program (as that term is defined in subsection (d)(1)) for not less than 8 hours per month.

"(2) INCLUSION IN PLAN.—Each public housing agency shall include in the public housing agency plan a detailed description of the manner in which the public housing agency intends to implement and administer paragraph (1).

"(3) EXEMPTIONS.—The Secretary may provide an exemption from paragraph (1) for any adult who—

"(A) has attained age 62;

"(B) is a blind or disabled individual, as defined under section 216(i)(1) or 1614 of the Social Security Act (42 U.S.C. 416(i)(1); 1382c) and who is unable to comply with this section, or a primary caretaker of that individual;

"(C) is engaged in a work activity (as that term is defined in subsection (d)(1)(C)); or

"(D) meets the requirements for being exempted from having to engage in a work activity under the State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) or under any other welfare program of the State in which the public housing agency is located.

"(4) GEOGRAPHIC LOCATION; PROHIBITION AGAINST REPLACEMENT OF EMPLOYEES.—

"(A) GEOGRAPHIC LOCATION.—The requirement described in paragraph (1) may include community service or participation in a self-sufficiency program performed at a location not owned by the public housing agency.

"(B) PROHIBITION AGAINST REPLACEMENT OF EMPLOYEES.—In carrying out this subsection, a public housing agency may not—

"(i) substitute community service or participation in a self-sufficiency program, as described in paragraph (1), for work performed by a public housing employee; or

"(ii) supplant a job at any location at which community work requirements under section 111 are fulfilled.

"(d) SELF-SUFFICIENCY.—

"(1) DEFINITIONS.—In this section—

"(A) the term 'covered family' means a family that—

"(i) receives benefits for welfare or public assistance from a State or other public agency under a program for which the Federal, State, or local law relating to the program requires, as a condition of eligibility for assistance under the program, participation of a member of the family in a self-sufficiency program; and

"(ii) resides in a public housing dwelling unit or is provided tenant-based assistance;

"(B) the term 'self-sufficiency program' means any program designed to encourage, assist, train, or facilitate the economic independence of participants and their families or to provide work for participants, including programs for job training, employment counseling, work placement, basic skills training, education, workfare and apprenticeship; and

"(C) the term 'work activities' has the meaning given that term in section 407(d) of the Social Security Act (42 U.S.C. 607(d)) (as in effect on and after July 1, 1997).

"(2) COMPLIANCE.—

"(A) SANCTIONS.—Notwithstanding any other provision of law, if the welfare or public assistance benefits of a covered family are reduced under a Federal, State, or local law regarding such an assistance program because of any failure of any member of the family to comply with the conditions under the assistance program requiring participation in a self-sufficiency program or a work activities requirement, or because of an act of fraud by any member of the family under the law or program, the amount required to be paid by the family as a monthly contribution toward rent may not be decreased, during the period of the reduction, as a result of any decrease in the income of the family (to the extent that the decrease in income is a result of the benefits reduction).

"(B) REVIEW.—Any covered family that is affected by the operation of this paragraph shall have the right to review the determination under this paragraph through the administrative grievance procedure for the public housing agency.

"(C) NOTICE.—Subparagraph (A) shall not apply to any covered family before the public housing agency providing assistance under this Act on behalf of the family obtains written notification from the relevant welfare or public assistance agency specifying that the family's benefits have been reduced because of noncompliance with self-sufficiency program or an applicable work activities requirement and the level of such reduction.

"(D) NO APPLICATION OF REDUCTIONS BASED ON TIME LIMIT FOR ASSISTANCE.—For purposes of this paragraph, a reduction in benefits as a result of the expiration of a lifetime time limit for a family receiving welfare or public assistance benefits shall not be considered to be a failure to comply with the conditions

under the assistance program requiring participation in a self-sufficiency program or a work activities requirement.

"(3) OCCUPANCY RIGHTS.—This subsection may not be construed to authorize any public housing agency to limit the duration of tenancy in a public housing dwelling unit or of tenant-based assistance.

"(4) COOPERATION AGREEMENTS FOR SELF-SUFFICIENCY ACTIVITIES.—

"(A) REQUIREMENT.—To the maximum extent practicable, a public housing agency providing public housing dwelling units or tenant-based assistance for covered families shall enter into such cooperation agreements, with State, local, and other agencies providing assistance to covered families under welfare or public assistance programs, as may be necessary, to provide for such agencies to transfer information to facilitate administration of subsection (c) or paragraph (2) of this subsection, and other information regarding rents, income, and assistance that may assist a public housing agency or welfare or public assistance agency in carrying out its functions.

"(B) CONTENTS.—A public housing agency shall seek to include in a cooperation agreement under this paragraph requirements and provisions designed to target assistance under welfare and public assistance programs to families residing in public and other assisted housing developments, which may include providing for self-sufficiency services within such housing, providing for services designed to meet the unique employment-related needs of residents of such housing, providing for placement of workfare positions on-site in such housing, and such other elements as may be appropriate.

"(C) CONFIDENTIALITY.—This paragraph may not be construed to authorize any release of information that is prohibited by, or in contravention of, any other provision of Federal, State, or local law.".

SEC. 112. REPEAL OF ENERGY CONSERVATION; CONSORTIA AND JOINT VENTURES.

Section 13 of the United States Housing Act of 1937 (42 U.S.C. 1437k) is amended to read as follows:

"SEC. 13. CONSORTIA, JOINT VENTURES, AFFILIATES, AND SUBSIDIARIES OF PUBLIC HOUSING AGENCIES.

"(a) CONSORTIA.—

"(1) IN GENERAL.—Any 2 or more public housing agencies may participate in a consortium for the purpose of administering any or all of the housing programs of those public housing agencies in accordance with this section.

"(2) EFFECT.—With respect to any consortium described in paragraph (1)—

"(A) any assistance made available under this title to each of the public housing agencies participating in the consortium shall be paid to the consortium; and

"(B) all planning and reporting requirements imposed upon each public housing agency participating in the consortium with respect to the programs operated by the consortium shall be consolidated.

"(3) RESTRICTIONS.—

"(A) AGREEMENT.—Each consortium described in paragraph (1) shall be formed and operated in accordance with a consortium agreement, and shall be subject to the requirements of a joint public housing agency plan, which shall be submitted by the consortium in accordance with section 5A.

"(B) MINIMUM REQUIREMENTS.—The Secretary shall specify minimum requirements relating to the formation and operation of consortia and the minimum contents of consortium agreements under this paragraph.

"(b) JOINT VENTURES.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, a public housing agency, in accordance with the public housing agency plan, may—

"(A) form and operate wholly owned or controlled subsidiaries (which may be nonprofit corporations) and other affiliates, any of which may be directed, managed, or controlled by the same persons who constitute the board of commissioners or other similar governing body of the public housing agency, or who serve as employees or staff of the public housing agency; or

"(B) enter into joint ventures, partnerships, or other business arrangements with, or contract with, any person, organization, entity, or governmental unit—

"(i) with respect to the administration of the programs of the public housing agency, including any program that is subject to this title; or

"(ii) for the purpose of providing or arranging for the provision of supportive or social services.

"(2) USE OF AND TREATMENT INCOME.—Any income generated under paragraph (1)—

"(A) shall be used for low-income housing or to benefit the residents of the public housing agency; and

"(B) shall not result in any decrease in any amount provided to the public housing agency under this title.

"(3) AUDITS.—The Comptroller General of the United States, the Secretary, and the Inspector General of the Department of Housing and Urban Development may conduct an audit of any activity undertaken under paragraph (1) at any time.".

SEC. 113. REPEAL OF MODERNIZATION FUND.

(a) IN GENERAL.—Section 14 of the United States Housing Act of 1937 (42 U.S.C. 1437l) is repealed.

(b) CONFORMING AMENDMENTS.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(1) in section 5(c)(5), by striking "for use under section 14 or";

(2) in section 5(c)(7)—

(A) in subparagraph (A)—

(i) by striking clause (iii); and

(ii) by redesignating clauses (iv) through (x) as clauses (iii) through (ix), respectively; and

(B) in subparagraph (B)—

(i) by striking clause (iii); and

(ii) by redesignating clauses (iv) through (x) as clauses (iii) through (ix), respectively;

(3) in section 6(j)(1)—

(A) by striking subparagraph (B); and

(B) by redesignating subparagraphs (C) through (H) as subparagraphs (B) through (G), respectively;

(4) in section 6(j)(2)(A)—

(A) in clause (i), by striking "The Secretary shall also designate," and all that follows through the period at the end; and

(B) in clause (iii), by striking "(including designation as a troubled agency for purposes of the program under section 14)";

(5) in section 6(j)(2)(B)—

(A) in clause (i), by striking "and determining that an assessment under this subparagraph will not duplicate any review conducted under section 14(p)"; and

(B) in clause (ii)—

(i) by striking "(I) the agency's comprehensive plan prepared pursuant to section 14 adequately and appropriately addresses the rehabilitation needs of the agency's inventory, (II)" and inserting "(I)"; and

(ii) by striking "(III)" and inserting "(II)";

(6) in section 6(j)(3)—

(A) in clause (ii), by adding "and" at the end;

(B) by striking clause (iii); and

(C) by redesignating clause (iv) as clause (iii);

(7) in section 6(j)(4)—

(A) in subparagraph (D), by adding "and" at the end;

(B) in subparagraph (E), by striking "; and" at the end and inserting a period; and

(C) by striking subparagraph (F);

(8) in section 20—

(A) by striking subsection (c) and inserting the following:

"(c) [Reserved.]"; and

(B) by striking subsection (f) and inserting the following:

"(f) [Reserved.]";

(9) in section 21(a)(2)—

(A) by striking subparagraph (A); and

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

(10) in section 21(a)(3)(A)(v), by striking "the building or buildings meet the minimum safety and livability standards applicable under section 14, and";

(11) in section 25(b)(1), by striking "From amounts reserved" and all that follows through "the Secretary may" and inserting the following: "To the extent approved in appropriations Acts, the Secretary may";

(12) in section 25(e)(2)—

(A) by striking "The Secretary" and inserting "To the extent approved in appropriations Acts, the Secretary"; and

(B) by striking "available annually from amounts under section 14";

(13) in section 25(e), by striking paragraph (3);

(14) in section 25(f)(2)(G)(i), by striking "including—" and all that follows through "an explanation" and inserting "including an explanation";

(15) in section 25(i)(1), by striking the second sentence; and

(16) in section 202(b)(2)—

(A) by striking "(b) FINANCIAL ASSISTANCE.—" and all that follows through "The Secretary may," and inserting the following:

"(b) FINANCIAL ASSISTANCE.—The Secretary may"; and

(B) by striking paragraph (2).

SEC. 114. ELIGIBILITY FOR PUBLIC AND ASSISTED HOUSING.

Section 16 of the United States Housing Act of 1937 (42 U.S.C. 1437n) is amended to read as follows:

"SEC. 16. ELIGIBILITY FOR PUBLIC AND ASSISTED HOUSING.

"(a) INCOME ELIGIBILITY FOR PUBLIC HOUSING.—

"(1) IN GENERAL.—Of the dwelling units of a public housing agency, including public housing units in a designated mixed-finance project, made available for occupancy in any fiscal year of the public housing agency—

"(A) not less than 40 percent shall be occupied by families whose incomes do not exceed 30 percent of the area median income for those families;

"(B) not less than 70 percent shall be occupied by families whose incomes do not exceed 60 percent of the area median income for those families; and

"(C) any remaining dwelling units may be made available for families whose incomes do not exceed 80 percent of the area median income for those families.

"(2) ESTABLISHMENT OF DIFFERENT STANDARDS.—Notwithstanding paragraph (1), if approved by the Secretary, a public housing agency, in accordance with the public housing agency plan, may for good cause establish and implement an admission standard other than the standard described in paragraph (1).

"(3) PROHIBITION OF CONCENTRATION OF LOW-INCOME FAMILIES.—A public housing agency may not, in complying with the requirements under paragraph (1), concentrate very low-income families (or other families with relatively low incomes) in public housing dwelling units in certain public housing developments or certain buildings within developments.

"(4) MIXED-INCOME HOUSING STANDARD.—Each public housing agency plan submitted by a public housing agency shall include a plan for achieving a diverse income mix among residents in each public housing project of the public housing agency and among the scattered site public housing of the public housing agency.

"(b) INCOME ELIGIBILITY FOR CERTAIN ASSISTED HOUSING.—

"(1) TENANT-BASED ASSISTANCE.—Of the dwelling units receiving tenant-based assistance under section 8 made available for occupancy in any fiscal year of the public housing agency—

"(A) not less than 65 percent shall be occupied by families whose incomes do not exceed 30 percent of the area median income for those families;

"(B) not less than 90 percent shall be occupied by families whose incomes do not exceed 60 percent of the area median income for those families; and

"(C) any remaining dwelling units may be made available for families whose incomes do not exceed 80 percent of the area median income for those families.

"(2) ESTABLISHMENT OF DIFFERENT STANDARDS.—Notwithstanding paragraph (1), if approved by the Secretary, a public housing agency, in accordance with the public housing agency plan, may for good cause establish and implement an admission standard other than the standard described in paragraph (1).

"(3) PROJECT-BASED ASSISTANCE.—Of the total number of dwelling units in a project receiving assistance under section 8, other than assistance described in paragraph (1), that are made available for occupancy by eligible families in any year (as determined by the Secretary)—

"(A) not less than 40 percent shall be occupied by families whose incomes do not exceed 30 percent of the area median income;

"(B) not less than 70 percent shall be occupied by families whose incomes do not exceed 60 percent of the area median income; and

"(C) any remaining dwelling units may be made available for families whose incomes do not exceed 80 percent of the area median income for those families.

"(c) DEFINITION OF AREA MEDIAN INCOME.—In this section, the term 'area median income' means the median income of an area, as determined by the Secretary, with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than the percentages specified in subsections (a) and (b) if the Secretary determines that such variations are necessary because of unusually high or low family incomes.".

SEC. 115. DEMOLITION AND DISPOSITION OF PUBLIC HOUSING.

(a) IN GENERAL.—Section 18 of the United States Housing Act of 1937 (42 U.S.C. 1437p) is amended to read as follows:

"SEC. 18. DEMOLITION AND DISPOSITION OF PUBLIC HOUSING.

"(a) APPLICATIONS FOR DEMOLITION AND DISPOSITION.—Except as provided in subsection (b), not later than 60 days after receiving an application by a public housing agency for authorization, with or without financial assistance under this title, to demolish or dispose of a public housing project or a portion of a public housing project (including any transfer to a resident-supported nonprofit entity), the Secretary shall approve the application, if the public housing agency certifies—

"(1) in the case of—

"(A) an application proposing demolition of a public housing project or a portion of a public housing project, that—

"(i) the project or portion of the public housing project is obsolete as to physical condition, location, or other factors, making it unsuitable for housing purposes; and

"(ii) no reasonable program of modifications is cost-effective to return the public housing project or portion of the project to useful life; and

"(B) an application proposing the demolition of only a portion of a public housing project, that the demolition will help to assure the viability of the remaining portion of the project;

"(2) in the case of an application proposing disposition of a public housing project or other real property subject to this title by sale or other transfer, that—

"(A) the retention of the property is not in the best interests of the residents or the public housing agency because—

"(i) conditions in the area surrounding the public housing project adversely affect the health or safety of the residents or the feasible operation of the project by the public housing agency; or

"(ii) disposition allows the acquisition, development, or rehabilitation of other properties that will be more efficiently or effectively operated as low-income housing;

"(B) the public housing agency has otherwise determined the disposition to be appropriate for reasons that are—

"(i) in the best interests of the residents and the public housing agency;

"(ii) consistent with the goals of the public housing agency and the public housing agency plan; and

"(iii) otherwise consistent with this title; or

"(C) for property other than dwelling units, the property is excess to the needs of a public housing project or the disposition is incidental to, or does not interfere with, continued operation of a public housing project;

"(3) that the public housing agency has specifically authorized the demolition or disposition in the public housing agency plan, and has certified that the actions contemplated in the public housing agency plan comply with this section;

"(4) that the public housing agency—

"(A) will notify residents in a project subject to demolition or disposition 90 days prior to the displacement date except in cases of imminent threat to health or safety;

"(B) will provide for the payment of the actual and reasonable relocation expenses of each resident to be displaced;

"(C) will ensure that each displaced resident is offered comparable housing—

"(i) that meets housing quality standards;

"(ii) which may include—

"(I) tenant-based assistance;

"(II) project-based assistance; or

"(III) occupancy in a unit operated or assisted by the public housing agency;

"(iii) that is at a rental rate paid by the resident that is comparable to the rental rate applicable to the unit from which the resident is vacated; and

"(iv) that is located in an area that is generally not less desirable than the location of the displaced person's housing;

"(D) will provide any necessary counseling for residents who are displaced; and

"(E) will not commence demolition or complete disposition until all residents residing in the unit are relocated;

"(5) that the net proceeds of any disposition will be used—

"(A) unless waived by the Secretary, for the retirement of outstanding obligations issued to finance the original public housing project or modernization of the project; and

"(B) to the extent that any proceeds remain after the application of proceeds in accordance with subparagraph (A), for the provision of low-income housing or to benefit the residents of the public housing agency; and

"(6) that the public housing agency has complied with subsection (c).

"(b) DISAPPROVAL OF APPLICATIONS.—The Secretary shall disapprove an application submitted under subsection (a) if the Secretary determines that—

"(1) any certification made by the public housing agency under that subsection is clearly inconsistent with information and data available to the Secretary or information or data requested by the Secretary; or

"(2) the application was not developed in consultation with—

"(A) residents who will be affected by the proposed demolition or disposition; and

"(B) each resident advisory board and resident council, if any, that will be affected by the proposed demolition or disposition.

"(c) RESIDENT OPPORTUNITY TO PURCHASE IN CASE OF PROPOSED DISPOSITION.—

"(1) IN GENERAL.—In the case of a proposed disposition of a public housing project or portion of a project, the public housing agency shall, in appropriate circumstances, as determined by the Secretary, initially offer the property to any eligible resident organization, eligible resident management corporation, or nonprofit organization acting on behalf of the residents, if that entity has expressed an interest, in writing, to the public housing agency in a timely manner, in purchasing the property for continued use as low-income housing.

"(2) TIMING.—

"(A) THIRTY-DAY NOTICE.—A resident organization, resident management corporation, or other resident-supported nonprofit entity referred to in paragraph (1) may express interest in purchasing property that is the subject of a disposition, as described in paragraph (1), during the 30-day period beginning on the date of notification of a proposed sale of the property.

"(B) SIXTY-DAY NOTICE.—If an entity expresses written interest in purchasing a property, as provided in subparagraph (A), no disposition of the property shall occur during the 60-day period beginning on the date of receipt of that written notice, during which time that entity shall be given the opportunity to obtain a firm commitment for financing the purchase of the property.

"(d) REPLACEMENT UNITS.—Notwithstanding any other provision of law, replacement housing units for public housing units demolished in accordance with this section may be built on the original public housing location or in the same neighborhood as the original public housing location if the number of those replacement units is fewer than the number of units demolished.".

(b) HOMEOWNERSHIP REPLACEMENT PLAN.—

(1) IN GENERAL.—Section 304(g) of the United States Housing Act of 1937 (42 U.S.C. 1437aaa-3(g)), as amended by section 1002(b) of the Emergency Supplemental Appropriations for Additional Disaster Assistance, for

Anti-terrorism Initiatives, for Assistance in the Recovery from the Tragedy that Occurred At Oklahoma City, and Rescissions Act, 1995 (Public Law 104–19; 109 Stat. 236), is amended to read as follows:

"(g) [Reserved.]".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall be effective with respect to any plan for the demolition, disposition, or conversion to homeownership of public housing that is approved by the Secretary after September 30, 1995.

(c) UNIFORM RELOCATION AND REAL PROPERTY ACQUISITION ACT.—The Uniform Relocation and Real Property Acquisition Act shall not apply to activities under section 18 of the United States Housing Act of 1937, as amended by this section.

SEC. 116. REPEAL OF FAMILY INVESTMENT CENTERS; VOUCHER SYSTEM FOR PUBLIC HOUSING.

(a) IN GENERAL.—Section 22 of the United States Housing Act of 1937 (42 U.S.C. 1437t) is amended to read as follows:

"SEC. 22. VOUCHER SYSTEM FOR PUBLIC HOUSING.

"(a) IN GENERAL.—

"(1) AUTHORIZATION.—A public housing agency may convert any public housing project (or portion thereof) owned and operated by the public housing agency to a system of tenant-based assistance in accordance with this section.

"(2) REQUIREMENTS.—In converting to a tenant-based system of assistance under this section, the public housing agency shall develop a conversion assessment and plan under subsection (b) in consultation with the appropriate public officials, with significant participation by the residents of the project (or portion thereof), which assessment and plan shall—

"(A) be consistent with and part of the public housing agency plan; and

"(B) describe the conversion and future use or disposition of the public housing project, including an impact analysis on the affected community.

"(b) CONVERSION ASSESSMENT AND PLAN.—

"(1) IN GENERAL.—Not later than 2 years after the date of enactment of the Public Housing Reform and Responsibility Act of 1997, each public housing agency shall assess the status of each public housing project owned and operated by that public housing agency, and shall submit to the Secretary an assessment that includes—

"(A) a cost analysis that demonstrates whether or not the cost (both on a net present value basis and in terms of new budget authority requirements) of providing tenant-based assistance under section 8 for the same families in substantially similar dwellings over the same period of time is less expensive than continuing public housing assistance in the public housing project proposed for conversion for the remaining useful life of the project;

"(B) an analysis of the market value of the public housing project proposed for conversion both before and after rehabilitation, and before and after conversion;

"(C) an analysis of the rental market conditions with respect to the likely success of tenant-based assistance under section 8 in that market for the specific residents of the public housing project proposed for conversion, including an assessment of the availability of decent and safe dwellings renting at or below the payment standard established for tenant-based assistance under section 8 by the public housing agency;

"(D) the impact of the conversion to a system of tenant-based assistance under this section on the neighborhood in which the public housing project is located; and

"(E) a plan that identifies actions, if any, that the public housing agency would take with regard to converting any public housing project or projects (or portions thereof) of the public housing agency to a system of tenant-based assistance.

"(2) STREAMLINED ASSESSMENT.—At the discretion of the Secretary or at the request of a public housing agency, the Secretary may waive any or all of the requirements of paragraph (1) or otherwise require a streamlined assessment with respect to any public housing project or class of public housing projects.

"(3) IMPLEMENTATION OF CONVERSION PLAN.—

"(A) IN GENERAL.—A public housing agency may implement a conversion plan only if the conversion assessment under this section demonstrates that the conversion—

"(i) will not be more expensive than continuing to operate the public housing project (or portion thereof) as public housing; and

"(ii) will principally benefit the residents of the public housing project (or portion thereof) to be converted, the public housing agency, and the community.

"(B) DISAPPROVAL.—The Secretary shall disapprove a conversion plan only if—

"(i) the plan is plainly inconsistent with the conversion assessment under subsection (b);

"(ii) there is reliable information and data available to the Secretary that contradicts that conversion assessment; or

"(iii) the plan otherwise fails to meet the requirements of this subsection.

"(c) OTHER REQUIREMENTS.—To the extent approved by the Secretary, the funds used by the public housing agency to provide tenant-based assistance under section 8 shall be added to the annual contribution contract administered by the public housing agency.".

(b) SAVINGS PROVISION.—The amendment made by subsection (a) does not affect any contract or other agreement entered into under section 22 of the United States Housing Act of 1937, as that section existed on the day before the date of enactment of this Act.

SEC. 117. REPEAL OF FAMILY SELF-SUFFICIENCY; HOMEOWNERSHIP OPPORTUNITIES.

(a) IN GENERAL.—Section 23 of the United States Housing Act of 1937 (42 U.S.C. 1437u) is amended to read as follows:

"SEC. 23. PUBLIC HOUSING HOMEOWNERSHIP OPPORTUNITIES.

"(a) IN GENERAL.—Notwithstanding any other provision of law, a public housing agency may, in accordance with this section—

"(1) sell any public housing unit in any public housing project of the public housing agency to—

"(A) the low-income residents of the public housing agency; or

"(B) any organization serving as a conduit for sales to those persons; and

"(2) provide assistance to public housing residents to facilitate the ability of those residents to purchase a principal residence.

"(b) RIGHT OF FIRST REFUSAL.—In making any sale under this section, the public housing agency shall initially offer the public housing unit at issue to the resident or residents occupying that unit, if any, or to an organization serving as a conduit for sales to any such resident.

"(c) SALE PRICES, TERMS, AND CONDITIONS.—Any sale under this section may involve such prices, terms, and conditions as the public housing agency may determine in accordance with procedures set forth in the public housing agency plan.

"(d) PURCHASE REQUIREMENTS.—

"(1) IN GENERAL.—Each resident that purchases a dwelling unit under subsection (a) shall, as of the date on which the purchase is made—

"(A) intend to occupy the property as a principal residence; and

"(B) submit a written certification to the public housing agency that such resident will occupy the property as a principal residence for a period of not less than 12 months beginning on that date.

"(2) RECAPTURE.—Except for good cause, as determined by a public housing agency in the public housing agency plan, if, during the 1-year period beginning on the date on which any resident acquires a public housing unit under this section, that public housing unit is resold, the public housing agency shall recapture 75 percent of the amount of any proceeds from that resale that exceed the sum of—

"(A) the original sale price for the acquisition of the property by the qualifying resident;

"(B) the costs of any improvements made to the property after the date on which the acquisition occurs; and

"(C) any closing costs incurred in connection with the acquisition.

"(e) PROTECTION OF NONPURCHASING RESIDENTS.—If a public housing resident does not exercise the right of first refusal under subsection (b) with respect to the public housing unit in which the resident resides, the public housing agency shall—

"(1) ensure that either another public housing unit or rental assistance under section 8 is made available to the resident; and

"(2) provide for the payment of the actual and reasonable relocation expenses of the resident.

"(f) NET PROCEEDS.—The net proceeds of any sales under this section remaining after payment of all costs of the sale and any unassumed, unpaid indebtedness owed in connection with the dwelling units sold under this section unless waived by the Secretary, shall be used for purposes relating to low-income housing and in accordance with the public housing agency plan.

"(g) HOMEOWNERSHIP ASSISTANCE.—From amounts distributed to a public housing agency under section 9, or from other income earned by the public housing agency, the public housing agency may provide assistance to public housing residents to facilitate the ability of those residents to purchase a principal residence, including a residence other than a residence located in a public housing project.".

(b) CONFORMING AMENDMENTS.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(1) in section 8(y)(7)(A)—

(A) by striking ", (ii)" and inserting ", and (ii)"; and

(B) by striking ", and (iii)" and all that follows before the period at the end; and

(2) in section 25(l)(2)—

(A) in the first sentence, by striking ", consistent with the objectives of the program under section 23,"; and

(B) by striking the second sentence.

(c) SAVINGS PROVISION.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section do not affect any contract or other agreement entered into under section 23 of the United States Housing Act of 1937, as that section existed on the day before the date of enactment of this Act.

(2) EXCEPTION.—Section 23(d)(3) of the United States Housing Act of 1937, as in existence on the day before the date of enactment of this Act, shall not apply to any contract or other agreement after the date of enactment of this Act.

SEC. 118. REVITALIZING SEVERELY DISTRESSED PUBLIC HOUSING.

Section 24 of the United States Housing Act of 1937 (42 U.S.C. 1437v) is amended to read as follows:

"SEC. 24. REVITALIZING SEVERELY DISTRESSED PUBLIC HOUSING.

"(a) IN GENERAL.—To the extent provided in advance in appropriations Acts, the Secretary may make grants to public housing agencies for the purposes of—

"(1) enabling the demolition of obsolete public housing projects or portions thereof;

"(2) revitalizing sites (including remaining public housing units) on which such public housing projects are located;

"(3) the provision of replacement housing, which will avoid or lessen concentrations of very low-income families; and

"(4) the provision of tenant-based assistance under section 8 for use as replacement housing.

"(b) COMPETITION.—The Secretary shall make grants under this section on the basis of a competition, which shall be based on such factors as—

"(1) the need for additional resources for addressing a severely distressed public housing project;

"(2) the need for affordable housing in the community;

"(3) the supply of other housing available and affordable to a family receiving tenant-based assistance under section 8; and

"(4) the local impact of the proposed revitalization program.

"(c) TERMS AND CONDITIONS.—The Secretary may impose such terms and conditions on recipients of grants under this section as the Secretary determines to be appropriate to carry out the purposes of this section, except that such terms and conditions shall be similar to the terms and conditions of either—

"(1) the urban revitalization demonstration program authorized under the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Acts; or

"(2) section 24 of the United States Housing Act of 1937, as such section existed before the date of enactment of the Public Housing Reform and Responsibility Act of 1997.

"(d) ALTERNATIVE MANAGEMENT.—The Secretary may require any recipient of a grant under this section to make arrangements with an entity other than the public housing agency to carry out the purposes for which the grant was awarded, if the Secretary determines that such action is necessary for the timely and effective achievement of the purposes for which the grant was awarded.

"(e) SUNSET.—No grant may be made under this section on or after October 1, 2000.".

SEC. 119. MIXED-FINANCE AND MIXED-OWNERSHIP PROJECTS.

(a) IN GENERAL.—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:

"SEC. 30. MIXED-FINANCE AND MIXED-OWNERSHIP PROJECTS.

"(a) IN GENERAL.—A public housing agency may own, operate, assist, or otherwise participate in 1 or more mixed-finance projects in accordance with this section.

"(b) REQUIREMENTS.—

"(1) MIXED-FINANCE PROJECT.—In this section, the term 'mixed-finance project' means a project that meets the requirements of paragraph (2) and that is occupied both by 1 or more very low-income families and by 1 or more families that are not very low-income families.

"(2) STRUCTURE OF PROJECTS.—Each mixed-finance project shall be developed—

"(A) in a manner that ensures that units are made available in the project, by master contract, individual lease, or equity interest for occupancy by eligible families identified by the public housing agency for a period of not less than 20 years;

"(B) in a manner that ensures that the number of public housing units bears approximately the same proportion to the total number of units in the mixed-finance project as the value of the total financial commitment provided by the public housing agency bears to the value of the total financial commitment in the project, or shall not be less than the number of units that could have been developed under the conventional public housing program with the assistance; and

"(C) in accordance with such other requirements as the Secretary may prescribe by regulation.

"(3) TYPES OF PROJECTS.—The term 'mixed-finance project' includes a project that is developed—

"(A) by a public housing agency or by an entity affiliated with a public housing agency;

"(B) by a partnership, a limited liability company, or other entity in which the public housing agency (or an entity affiliated with a public housing agency) is a general partner, managing member, or otherwise participates in the activities of that entity;

"(C) by any entity that grants to the public housing agency a right of first refusal to acquire the public housing project within the applicable period of time after initial occupancy of the public housing project in accordance with section 42(i)(7) of the Internal Revenue Code of 1986; or

"(D) in accordance with such other terms and conditions as the Secretary may prescribe by regulation.

"(c) TAXATION.—

"(1) IN GENERAL.—A public housing agency may elect to have all public housing units in a mixed-finance project subject to local real estate taxes, except that such units shall be eligible at the discretion of the public housing agency for the taxing requirements under section 6(d).

"(2) LOW-INCOME HOUSING TAX CREDIT.—With respect to any unit in a mixed-finance project that is assisted pursuant to the low-income housing tax credit under section 42 of the Internal Revenue Code of 1986, the rents charged to the residents may be set at levels not to exceed the amounts allowable under that section.

"(d) RESTRICTION.—No assistance provided under section 9 shall be used by a public housing agency in direct support of any unit rented to a family that is not a low-income family.

"(e) EFFECT OF CERTAIN CONTRACT TERMS.—If an entity that owns or operates a mixed-finance project under this section enters into a contract with a public housing agency, the terms of which obligate the entity to operate and maintain a specified number of units in the project as public housing units in accordance with the requirements of this Act for the period required by law, such contractual terms may provide that, if, as a result of a reduction in appropriations under section 9, or any other change in applicable law, the public housing agency is unable to fulfill its contractual obligations with respect to those public housing units, that entity may deviate, under procedures and requirements developed through regulations by the Secretary, from otherwise applicable restrictions under this Act regarding rents, income eligibility, and other areas of public housing management with respect to a portion or all of those public housing units, to the extent necessary to preserve the viability of those units while maintaining the low-income character of the units to the maximum extent practicable.".

(b) REGULATIONS.—The Secretary shall issue such regulations as may be necessary to promote the development of mixed-finance projects, as that term is defined in section 30 of the United States Housing Act of 1937 (as added by this Act).

SEC. 120. CONVERSION OF DISTRESSED PUBLIC HOUSING TO TENANT-BASED ASSISTANCE.

(a) IN GENERAL.—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:

"SEC. 31. CONVERSION OF DISTRESSED PUBLIC HOUSING TO TENANT-BASED ASSISTANCE.

"(a) IDENTIFICATION OF UNITS.—Each public housing agency shall identify all public housing projects of the public housing agency—

"(1) that are on the same or contiguous sites;

"(2) that the public housing agency determines to be distressed, which determination shall be made in accordance with guidelines established by the Secretary, which guidelines shall take into account the criteria established in the Final Report of the National Commission on Severely Distressed Public Housing (August 1992);

"(3) identified as distressed housing under paragraph (2) for which the public housing agency cannot assure the long-term viability as public housing through reasonable modernization expenses, density reduction, achievement of a broader range of family income, or other measures; and

"(4) for which the estimated cost, during the remaining useful life of the project, of continued operation and modernization as public housing exceeds the estimated cost, during the remaining useful life of the project, of providing tenant-based assistance under section 8 for all families in occupancy, based on appropriate indicators of cost (such as the percentage of total development costs required for modernization).

"(b) CONSULTATION.—Each public housing agency shall consult with the appropriate public housing residents and the appropriate unit of general local government in identifying any public housing projects under subsection (a).

"(c) REMOVAL OF UNITS FROM THE INVENTORIES OF PUBLIC HOUSING AGENCIES.—

"(1) IN GENERAL.—

"(A) DEVELOPMENT OF PLAN.—Each public housing agency shall develop and, to the extent provided in advance in appropriations Acts, carry out a 5-year plan in conjunction with the Secretary for the removal of public housing units identified under subsection (a) from the inventory of the public housing agency and the annual contributions contract.

"(B) APPROVAL OF PLAN.—The plan required under subparagraph (A) shall—

"(i) be included as part of the public housing agency plan;

"(ii) be certified by the relevant local official to be in accordance with the comprehensive housing affordability strategy under

title I of the Housing and Community Development Act of 1992; and

"(iii) include a description of any disposition and demolition plan for the public housing units.

"(2) EXTENSIONS.—The Secretary may extend the 5-year deadline described in paragraph (1) by not more than an additional 5 years if the Secretary makes a determination that the deadline is impracticable.

"(3) DETERMINATION OF SECRETARY.—

"(A) FAILURE TO IDENTIFY PROJECTS.—If the Secretary determines, based on a plan submitted under this subsection, that a public housing agency has failed to identify 1 or more public housing projects that the Secretary determines should have been identified under subsection (a), the Secretary may designate the public housing projects to be removed from the inventory of the public housing agency pursuant to this section.

"(B) ERRONEOUS IDENTIFICATION OF PROJECTS.—If the Secretary determines, based on a plan submitted under this subsection, that a public housing agency has identified 1 or more public housing projects that should not have been identified pursuant to subsection (a), the Secretary shall—

"(i) require the public housing agency to revise the plan of the public housing agency under this subsection; and

"(ii) prohibit the removal of any such public housing project from the inventory of the public housing agency under this section.

"(d) CONVERSION TO TENANT-BASED ASSISTANCE.—

"(1) IN GENERAL.—To the extent approved in advance in appropriations Acts, the Secretary shall make authority available to a public housing agency to provide assistance under this Act to families residing in any public housing project that is removed from the inventory of the public housing agency and the annual contributions contract pursuant to this section.

"(2) PLAN REQUIREMENTS.—Each plan under subsection (c) shall require the agency—

"(A) to notify each family residing in the public housing project, consistent with any guidelines issued by the Secretary governing such notifications, that—

"(i) the public housing project will be removed from the inventory of the public housing agency;

"(ii) the demolition will not commence until each resident residing in the public housing project is relocated; and

"(iii) each family displaced by such action will be offered comparable housing—

"(I) that meets housing quality standards; and

"(II) which may include—

"(aa) tenant-based assistance;

"(bb) project-based assistance; or

"(cc) occupancy in a unit operated or assisted by the public housing agency at a rental rate paid by the family that is comparable to the rental rate applicable to the unit from which the family is vacated;

"(B) to provide any necessary counseling for families displaced by such action; and

"(C) to provide any actual and reasonable relocation expenses for families displaced by such action.

"(e) REMOVAL BY SECRETARY.—The Secretary shall take appropriate actions to ensure removal of any public housing project identified under subsection (a) from the inventory of a public housing agency, if the public housing agency fails to adequately develop a plan under subsection (c) with respect to that project, or fails to adequately implement such plan in accordance with the terms of the plan.

"(f) ADMINISTRATION.—

"(1) IN GENERAL.—The Secretary may require a public housing agency to provide to the Secretary or to public housing residents such information as the Secretary considers to be necessary for the administration of this section.

"(2) APPLICABILITY OF SECTION 18.—Section 18 does not apply to the demolition of public housing projects removed from the inventory of the public housing agency under this section.".

(b) CONFORMING AMENDMENT.—Section 202 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (42 U.S.C. 14371 note) is repealed.

SEC. 121. PUBLIC HOUSING MORTGAGES AND SECURITY INTERESTS.

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:

"SEC. 32. PUBLIC HOUSING MORTGAGES AND SECURITY INTERESTS.

"(a) GENERAL AUTHORIZATION.—The Secretary may, upon such terms and conditions as the Secretary may prescribe, authorize a public housing agency to mortgage or otherwise grant a security interest in any public housing project or other property of the public housing agency.

"(b) TERMS AND CONDITIONS.—

"(1) CRITERIA FOR APPROVAL.—In making any authorization under subsection (a), the Secretary may consider—

"(A) the ability of the public housing agency to use the proceeds of the mortgage or security interest for low-income housing uses;

"(B) the ability of the public housing agency to make payments on the mortgage or security interest; and

"(C) such other criteria as the Secretary may specify.

"(2) TERMS AND CONDITIONS OF MORTGAGES AND SECURITY INTERESTS OBTAINED.—Each mortgage or security interest granted under this section shall be—

"(A) for a term that—

"(i) is consistent with the terms of private loans in the market area in which the public housing project or property at issue is located; and

"(ii) does not exceed 30 years; and

"(B) subject to conditions that are consistent with the conditions to which private loans in the market area in which the subject project or other property is located are subject.

"(3) NO FEDERAL LIABILITY.—No action taken under this section shall result in any liability to the Federal Government.".

SEC. 122. LINKING SERVICES TO PUBLIC HOUSING RESIDENTS.

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:

"SEC. 33. SERVICES FOR PUBLIC HOUSING RESIDENTS.

"(a) IN GENERAL.—To the extent provided in advance in appropriations Acts, the Secretary may make grants to public housing agencies on behalf of public housing residents, or directly to resident management corporations, resident councils, or resident organizations (including nonprofit entities supported by residents), for the purposes of providing a program of supportive services and resident empowerment activities to assist public housing residents in becoming economically self-sufficient.

"(b) ELIGIBLE ACTIVITIES.—Grantees under this section may use such amounts only for activities on or near the property of the public housing agency or public housing project that are designed to promote the self-sufficiency of public housing residents, including activities relating to—

"(1) physical improvements to a public housing project in order to provide space for supportive services for residents;

"(2) the provision of service coordinators or a congregate housing services program for elderly disabled individuals, nonelderly disabled individuals, or temporarily disabled individuals;

"(3) the provision of services related to work readiness, including education, job training and counseling, job search skills, business development training and planning, tutoring, mentoring, adult literacy, computer access, personal and family counseling, health screening, work readiness health services, transportation, and child care;

"(4) economic and job development, including employer linkages and job placement, and the start-up of resident microenterprises, community credit unions, and revolving loan funds, including the licensing, bonding, and insurance needed to operate such enterprises;

"(5) resident management activities and resident participation activities; and

"(6) other activities designed to improve the economic self-sufficiency of residents.

"(c) FUNDING DISTRIBUTION.—

"(1) IN GENERAL.—Except for amounts provided under subsection (d), the Secretary may distribute amounts made available under this section on the basis of a competition or a formula, as appropriate.

"(2) FACTORS FOR DISTRIBUTION.—Factors for distribution under paragraph (1) shall include—

"(A) the demonstrated capacity of the applicant to carry out a program of supportive services or resident empowerment activities;

"(B) the ability of the applicant to leverage additional resources for the provision of services; and

"(C) the extent to which the grant will result in a high quality program of supportive services or resident empowerment activities.

"(d) MATCHING REQUIREMENT.—The Secretary may not make any grant under this section to any applicant unless the applicant supplements each dollar made available under this section with funds from sources other than this section, in an amount equal to not less than 25 percent of the grant amount, including—

"(1) funds from other Federal sources;

"(2) funds from any State or local government sources;

"(3) funds from private contributions; and

"(4) the value of any in-kind services or administrative costs provided to the applicant.

"(e) FUNDING FOR RESIDENT COUNCILS.—Of amounts appropriated for activities under this section, not less than 25 percent shall be provided directly to resident councils, resident organizations, and resident management corporations.".

SEC. 123. PROHIBITION ON USE OF AMOUNTS.

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:

"SEC. 34. PROHIBITION ON USE OF AMOUNTS.

"None of the amounts made available to the Department of Housing and Urban Development to carry out this Act, that are obligated to State or local governments, public housing agencies, housing finance agencies, or other public or quasi-public housing agencies, may be used to indemnify contractors or subcontractors of the government or agency against costs associated with judgments of infringement of intellectual property rights.".

SEC. 124. PET OWNERSHIP.

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:

"SEC. 35. PET OWNERSHIP IN FEDERALLY ASSISTED RENTAL HOUSING.

"(a) OWNERSHIP CONDITIONS.—

"(1) IN GENERAL.—A resident of a dwelling unit in federally assisted rental housing may own 1 or more common household pets or have 1 or more common household pets present in the dwelling unit of such resident, subject to the reasonable requirements of the owner of the federally assisted rental housing, if the resident maintains each pet responsibly and in accordance with applicable State and local public health, animal control, and animal anti-cruelty laws and regulations.

"(2) REQUIREMENTS.—The reasonable requirements described in paragraph (1) may include—

"(A) requiring payment of a nominal fee, a pet deposit, or both, by residents owning or having pets present, to cover the reasonable operating costs to the project relating to the presence of pets and to establish an escrow account for additional costs not otherwise covered, respectively;

"(B) limitations on the number of animals in a unit, based on unit size; and

"(C) prohibitions on—

"(i) certains breeds or types of animals that are determined to be dangerous; and

"(ii) individual animals, based on certain factors, including the size and weight of the animal.

"(b) PROHIBITION AGAINST DISCRIMINATION.—No owner of federally assisted rental housing may restrict or discriminate against any person in connection with admission to, or continued occupancy of, such housing by reason of the ownership of common household pets by, or the presence of such pets in the dwelling unit of, such person.

"(c) DEFINITIONS.—In this section:

"(1) FEDERALLY ASSISTED RENTAL HOUSING.—The term 'federally assisted rental housing' means any public housing project or any rental housing receiving project-based assistance under—

"(A) the new construction and substantial rehabilitation program under section 8(b)(2) of this Act (as in effect before October 1, 1983);

"(B) the property disposition program under section 8(b);

"(C) the moderate rehabilitation program under section 8(e)(2) of this Act (as it existed prior to October 1, 1991);

"(D) section 23 of this Act (as in effect before January 1, 1975);

"(E) the rent supplement program under section 101 of the Housing and Urban Development Act of 1965;

"(F) section 8 of this Act, following conversion from assistance under section 101 of the Housing and Urban Development Act of 1965; or

"(G) loan management assistance under section 8 of this Act.

"(2) OWNER.—The term 'owner' means, with respect to federally assisted rental housing, the entity or private person, including a cooperative or public housing agency, that has the legal right to lease or sublease dwelling units in such housing (including a manager of such housing having such right).

"(d) REGULATIONS.—This section shall take effect upon the date of the effectiveness of regulations issued by the Secretary to carry out this section. Such regulations shall be issued after notice and opportunity for public comment in accordance with the procedure under section 553 of title 5, United States Code, applicable to substantive rules (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section).".

SEC. 125. CITY OF INDIANAPOLIS FLEXIBLE GRANT DEMONSTRATION.

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:

"SEC. 36. CITY OF INDIANAPOLIS FLEXIBLE GRANT DEMONSTRATION.

"(a) DEFINITIONS.—In this section:

"(1) COVERED HOUSING ASSISTANCE.—The term 'covered housing assistance' means—

"(A)(i) operating assistance under section 9 of the United States Housing Act of 1937 (as in existence on the day before the effective date of the Public Housing Reform and Responsibility Act of 1997), modernization assistance under section 14 of the United States Housing Act of 1937 (as in existence on the day before the effective date of the Public Housing Reform and Responsibility Act of 1997); and

"(ii) assistance for the certificate and voucher programs under section 8 of the United States Housing Act of 1937 (as in existence on the day before the effective date of the Public Housing Reform and Responsibility Act of 1997);

"(B) assistance for public housing under the Capital and Operating Funds established under section 9; and

"(C) tenant-based rental assistance under section 8.

"(2) CITY.—The term 'City' means the city of Indianapolis, Indiana.

"(b) PURPOSE.—The Secretary shall carry out a demonstration program in accordance with this section under which the City, in coordination with the public housing agency of the City—

"(1) may receive and combine program allocations of covered housing assistance; and

"(2) shall have the flexibility to design creative approaches for providing and administering Federal housing assistance that—

"(A) provide incentives to low-income families with children whose head of the household is employed, seeking employment, or preparing for employment by participating in a job training or educational program, or any program that otherwise assists individuals in obtaining employment and attaining economic self-sufficiency;

"(B) reduce costs of Federal housing assistance and achieve greater cost-effectiveness in Federal housing assistance expenditures;

"(C) increase the stock of affordable housing and housing choices for low-income families;

"(D) increase homeownership among low-income families; and

"(E) achieve such other purposes with respect to low-income families, as determined by the City in coordination with the public housing agency.

"(c) PROGRAM ALLOCATION.—In each fiscal year, the amount made available to the City under this section shall be equal to the sum of the amounts that would otherwise be made available to the public housing agency of the City under the provisions of this Act described in subparagraphs (A) through (C) of subsection (a)(1).

"(d) APPLICABILITY OF PROGRAM REQUIREMENTS.—

"(1) IN GENERAL.—In each fiscal year of the demonstration program under this section, amounts made available to the City under this section shall be subject to the same terms and conditions as those amounts would be subject if made available under the provisions of this Act pursuant to which covered housing assistance is otherwise made available to the public housing agency of the City under this Act, except that—

"(A) the Secretary may waive any such term or condition to the extent that the Secretary determines such action to be appropriate to carry out the demonstration program under this section; and

"(B) the City may combine the amounts made available and use the amounts for any activity eligible under each such program under section 8 or 9.

"(2) NUMBER OF FAMILIES ASSISTED.—In carrying out the demonstration program under this section, the City shall assist substantially the same total number of eligible low-income families as would have otherwise been served by the public housing agency of the City.

"(3) PROTECTION OF RECIPIENTS.—Nothing is this section shall be construed to authorize the termination of assistance to any recipient of assistance under this Act before the date of enactment of this section, as a result of the implementation of the demonstration program under this section.

"(e) PLAN REQUIREMENT.—In carrying out this section, the Secretary may establish a streamlined public housing agency plan and planning process for the City in accordance with section 5A.

"(f) EFFECT ON ABILITY TO COMPETE FOR OTHER CATEGORICAL PROGRAMS.—Nothing in this section shall be construed to affect the ability of the City (or the public housing agency of the City) to compete or otherwise apply for or receive assistance under any other housing assistance program administered by the Secretary.

"(g) PERFORMANCE STANDARDS.—The Secretary and the City shall collectively establish standards for evaluating the performance of the City in meeting the goals set forth in subsection (b) including—

"(1) moving dependent low-income families to economic self-sufficiency;

"(2) reducing the per-family cost of providing housing assistance;

"(3) expanding the stock of affordable housing and housing choices of low-income families;

"(4) increasing the number of homeownership opportunities for low-income families; and

"(5) any other performance goals established by the Secretary and the City.

"(h) RECORDS AND REPORTS.—

"(1) RECORDS.—The City shall maintain such records as the Secretary may require in order to—

"(A) document the amounts received by the City under this Act, and the disposition of those amounts under the demonstration program under this section;

"(B) ensure compliance by the City with this section; and

"(C) evaluate the performance of the City under the demonstration program under this section.

"(2) REPORTS.—

"(A) IN GENERAL.—The City shall annually submit to the Secretary a report in a form and at a time specified by the Secretary.

"(B) CONTENTS.—Each report under this paragraph shall include—

"(i) documentation of the use of funds made available to the City under this section;

"(ii) such data as the Secretary may request to assist the Secretary in evaluating the demonstration program under this section; and

"(iii) a description and analysis of the effect of assisted activities in addressing the

objectives of the demonstration program under this section.

"(3) ACCESS TO DOCUMENTS BY THE SECRETARY AND COMPTROLLER GENERAL.—The Secretary and the Comptroller General of the United States, or any duly authorized representative of the Secretary or the Comptroller General, shall have access for the purpose of audit and examination to any books, documents, papers, and records maintained by the City that relate to the demonstration program under this section.

"(i) PERFORMANCE REVIEW AND EVALUATION.—

"(1) PERFORMANCE REVIEW.—Based on the performance standards established under subsection (g), the Secretary shall monitor the performance of the City in providing assistance under this section.

"(2) STATUS REPORT.—Not later than 60 days after the last day of the second year of the demonstration program under this section, the Secretary shall submit to Congress an interim report on the status of the demonstration program and the progress of the City in achieving the purposes of the demonstration program under subsection (b).

"(3) TERMINATION AND EVALUATION.—

"(A) TERMINATION.—The demonstration program under this section shall terminate not less than 2 and not more than 5 years after the date on which the program is commenced under this section.

"(B) EVALUATION.—Not later than 6 months after the termination of the demonstration program under this section, the Secretary shall submit to Congress a final report, which shall include—

"(i) an evaluation the effectiveness of the activities carried out under the demonstration program under this section; and

"(ii) any findings and recommendations of the Secretary for any appropriate legislative action.".

TITLE II—SECTION 8 RENTAL ASSISTANCE

SEC. 201. MERGER OF THE CERTIFICATE AND VOUCHER PROGRAMS.

(a) IN GENERAL.—Section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) is amended to read as follows:

"(o) VOUCHER PROGRAM.—

"(1) PAYMENT STANDARD.—

"(A) IN GENERAL.—The Secretary may provide assistance to public housing agencies for tenant-based assistance using a payment standard established in accordance with subparagraph (B). The payment standard shall be used to determine the monthly assistance that may be paid for any family, as provided in paragraph (2).

"(B) ESTABLISHMENT OF PAYMENT STANDARD.—Except as provided under subparagraph (D), the payment standard shall not exceed 110 percent of the fair market rental established under subsection (c) and shall be not less than 90 percent of that fair market rental.

"(C) SET-ASIDE.—The Secretary may set aside not more than 5 percent of the budget authority available under this subsection as an adjustment pool. The Secretary shall use amounts in the adjustment pool to make adjusted payments to public housing agencies under subparagraph (A), to ensure continued affordability, if the Secretary determines that additional assistance for such purpose is necessary, based on documentation submitted by a public housing agency.

"(D) APPROVAL.—The Secretary may require a public housing agency to submit the payment standard of the public housing agency to the Secretary for approval, if the payment standard is less than 90 percent of the fair market rent or exceeds 110 percent of the fair market rent.

"(E) REVIEW.—The Secretary—

"(i) shall monitor rent burdens and review any payment standard that results in a significant percentage of the families occupying units of any size paying more than 30 percent of adjusted income for rent; and

"(ii) may require a public housing agency to modify the payment standard of the public housing agency based on the results of that review.

"(2) AMOUNT OF MONTHLY ASSISTANCE PAYMENT.—

"(A) FAMILIES RECEIVING TENANT-BASED ASSISTANCE; RENT DOES NOT EXCEED PAYMENT STANDARD.—For a family receiving tenant-based assistance under this title, if the rent for that family (including the amount allowed for tenant-paid utilities) does not exceed the payment standard established under paragraph (1), the monthly assistance payment to that family shall be equal to the amount by which the rent exceeds the greatest of the following amounts, rounded to the nearest dollar:

"(i) Thirty percent of the monthly adjusted income of the family.

"(ii) Ten percent of the monthly income of the family.

"(iii) If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by that agency to meet the housing costs of the family, the portion of those payments that is so designated.

"(B) FAMILIES RECEIVING TENANT-BASED ASSISTANCE; RENT EXCEEDS PAYMENT STANDARD.—For a family receiving tenant-based assistance under this title, if the rent for that family (including the amount allowed for tenant-paid utilities) exceeds the payment standard established under paragraph (1), the monthly assistance payment to that family shall be equal to the amount by which the applicable payment standard exceeds the greatest of the following amounts, rounded to the nearest dollar:

"(i) Thirty percent of the monthly adjusted income of the family.

"(ii) Ten percent of the monthly income of the family.

"(iii) If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by that agency to meet the housing costs of the family, the portion of those payments that is so designated.

"(C) FAMILIES RECEIVING PROJECT-BASED ASSISTANCE.—For a family receiving project-based assistance under this title, the rent that the family is required to pay shall be determined in accordance with section 3(a)(1), and the amount of the housing assistance payment shall be determined in accordance with subsection (c)(3) of this section.

"(3) FORTY PERCENT LIMIT.—At the time a family initially receives tenant-based assistance under this title with respect to any dwelling unit, the total amount that a family may be required to pay for rent may not exceed 40 percent of the monthly adjusted income of the family.

"(4) ELIGIBLE FAMILIES.—At the time a family initially receives assistance under this subsection, a family shall qualify as—

"(A) a very low-income family;

"(B) a family previously assisted under this title;

"(C) a low-income family that meets eligibility criteria specified by the public housing agency;

"(D) a family that qualifies to receive a voucher in connection with a homeownership program approved under title IV of the Cranston-Gonzalez National Affordable Housing Act; or

"(E) a family that qualifies to receive a voucher under section 223 or 226 of the Low-Income Housing Preservation and Resident Homeownership Act of 1990.

"(5) ANNUAL REVIEW OF FAMILY INCOME.—Each public housing agency shall, not less frequently than annually, conduct a review of the family income of each family receiving assistance under this subsection.

"(6) SELECTION OF FAMILIES.—

"(A) IN GENERAL.—Each public housing agency may establish local preferences consistent with the public housing agency plan submitted by the public housing agency under section 5A, including a preference for families residing in public housing who are victims of a crime of violence (as that term is defined in section 16 of title 18, United States Code) that has been reported to an appropriate law enforcement agency.

"(B) SELECTION OF TENANTS.—The selection of tenants shall be made by the owner of the dwelling unit, subject to the annual contributions contract between the Secretary and the public housing agency.

"(7) LEASE.—Each housing assistance payment contract entered into by the public housing agency and the owner of a dwelling unit—

"(A) shall provide that the screening and selection of families for those units shall be the function of the owner;

"(B) shall provide that the lease between the tenant and the owner shall be for a term of not less than 1 year, except that the public housing agency may approve a shorter term for an initial lease between the tenant and the dwelling unit owner if the public housing agency determines that such shorter term would improve housing opportunities for the tenant and if such shorter term is considered to be an acceptable local market practice;

"(C) shall provide that the dwelling unit owner shall offer leases to tenants assisted under this subsection that—

"(i) are in a standard form used in the locality by the dwelling unit owner; and

"(ii) contain terms and conditions that—

"(I) are consistent with State and local law; and

"(II) apply generally to tenants in the property who are not assisted under this section;

"(D) shall provide that the dwelling unit owner may not terminate the tenancy of any person assisted under this subsection during the term of a lease that meets the requirements of this section unless the owner determines, on the same basis and in the same manner as would apply to a tenant in the property who does not receive assistance under this subsection, that—

"(i) the tenant has committed a serious or repeated violation of the terms and conditions of the lease;

"(ii) the tenant has violated applicable Federal, State, or local law; or

"(iii) other good cause for termination of the tenancy exists;

"(E) shall provide that any termination of tenancy under this subsection shall be preceded by the provision of written notice by the owner to the tenant specifying the grounds for that action, and any relief shall be consistent with applicable State and local law; and

"(F) may include any addenda appropriate to set forth the provisions of this title.

"(8) INSPECTION OF UNITS BY PUBLIC HOUSING AGENCIES.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), for each dwelling unit for which a housing assistance payment contract is established under this subsection, the public housing agency shall—

"(i) inspect the unit before any assistance payment is made to determine whether the dwelling unit meets housing quality standards for decent safe housing established—

"(I) by the Secretary for purposes of this subsection; or

"(II) by local housing codes or by codes adopted by public housing agencies that—

"(aa) meet or exceed housing quality standards; and

"(bb) do not severely restrict housing choice; and

"(ii) make not less than annual inspections during the contract term.

"(B) LEASING OF UNITS OWNED BY PUBLIC HOUSING AGENCY.—If an eligible family assisted under this subsection leases a dwelling unit (other than public housing) that is owned by a public housing agency administering assistance under this subsection, the Secretary shall require the unit of general local government, or another entity approved by the Secretary, to make inspections and rent determinations as required by this paragraph.

"(9) VACATED UNITS.—If an assisted family vacates a dwelling unit for which rental assistance is provided under a housing assistance contract before the expiration of the term of the lease for the unit, rental assistance pursuant to such contract may not be provided for the unit after the month during which the unit was vacated.

"(10) RENT.—

"(A) REASONABLE MARKET RENT.—The rent for dwelling units for which a housing assistance payment contract is established under this subsection shall be reasonable in comparison with rents charged for comparable dwelling units in the private, unassisted, local market, or for comparable dwelling units that are in the assisted, local market.

"(B) NEGOTIATED RENT.—A public housing agency shall, at the request of a family receiving tenant-based assistance under this subsection, assist that family in negotiating a reasonable rent with a dwelling unit owner. A public housing agency shall review the rent for a unit under consideration by the family (and all rent increases for units under lease by the family) to determine whether the rent (or rent increase) requested by the owner is reasonable. If a public housing agency determines that the rent (or rent increase) for a dwelling unit is not reasonable, the public housing agency shall not make housing assistance payments to the owner under this subsection with respect to that unit.

"(C) UNITS EXEMPT FROM LOCAL RENT CONTROL.—If a dwelling unit for which a housing assistance payment contract is established under this subsection is exempt from local rent control provisions during the term of that contract, the rent for that unit shall be reasonable in comparison with other units in the market area that are exempt from local rent control provisions.

"(D) TIMELY PAYMENTS.—Each public housing agency shall make timely payment of any amounts due to a dwelling unit owner under this subsection. The housing assistance payment contract between the owner and the public housing agency may provide for penalties for the late payment of amounts due under the contract, which shall be imposed on the public housing agency in accordance with generally accepted practices in the local housing market.

"(E) PENALTIES.—Unless otherwise authorized by the Secretary, each public housing agency shall pay any penalties from administrative fees collected by the public housing agency, except that no penalty shall be imposed if the late payment is due to factors that the Secretary determines are beyond the control of the public housing agency.

"(11) MANUFACTURED HOUSING.—

"(A) IN GENERAL.—A public housing agency may make assistance payments in accordance with this subsection on behalf of a family that utilizes a manufactured home as a principal place of residence. Such payments may be made for the rental of the real property on which the manufactured home owned by any such family is located.

"(B) RENT CALCULATION.—

"(i) CHARGES INCLUDED.—For assistance pursuant to this paragraph, the rent for the space on which a manufactured home is located and with respect to which assistance payments are to be made shall include maintenance and management charges and tenant-paid utilities.

"(ii) PAYMENT STANDARD.—The public housing agency shall establish a payment standard for the purpose of determining the monthly assistance that may be paid for any family under this paragraph. The payment standard may not exceed an amount approved or established by the Secretary.

"(iii) MONTHLY ASSISTANCE PAYMENT.—The monthly assistance payment under this paragraph shall be determined in accordance with paragraph (2).

"(12) CONTRACT FOR ASSISTANCE PAYMENTS.—

"(A) IN GENERAL.—If the Secretary enters into an annual contributions contract under this subsection with a public housing agency pursuant to which the public housing agency will enter into a housing assistance payment contract with respect to an existing structure under this subsection—

"(i) the housing assistance payment contract may not be attached to the structure unless the owner agrees to rehabilitate or newly construct the structure other than with assistance under this Act, and otherwise complies with this section; and

"(ii) the public housing agency may approve a housing assistance payment contract for such existing structure for not more than 15 percent of the funding available for tenant-based assistance administered by the public housing agency under this section.

"(B) EXTENSION OF CONTRACT TERM.—In the case of a housing assistance payment contract that applies to a structure under this paragraph, a public housing agency may enter into a contract with the owner, contingent upon the future availability of appropriated funds for the purpose of renewing expiring contracts for assistance payments, as provided in appropriations Acts, to extend the term of the underlying housing assistance payment contract for such period as the Secretary determines to be appropriate to achieve long-term affordability of the housing. The contract shall obligate the owner to have such extensions of the underlying housing assistance payment contract accepted by the owner and the successors in interest of the owner.

"(C) RENT CALCULATION.—For project-based assistance under this paragraph, housing assistance payment contracts shall establish rents and provide for rent adjustments in accordance with subsection (c).

"(D) ADJUSTED RENTS.—With respect to rents adjusted under this paragraph—

"(i) the adjusted rent for any unit shall be reasonable in comparison with rents charged for comparable dwelling units in the private, unassisted, local market, or for comparable dwelling units that are in the assisted local market; and

"(ii) the provisions of subsection (c)(2)(C) do not apply.

"(13) INAPPLICABILITY TO TENANT-BASED ASSISTANCE.—Subsection (c) does not apply to tenant-based assistance under this subsection.

"(14) HOMEOWNERSHIP OPTION.—

"(A) IN GENERAL.—A public housing agency providing assistance under this subsection may, at the option of the agency, provide assistance for homeownership under subsection (y).

"(B) ALTERNATIVE ADMINISTRATION.—A public housing agency may contract with a nonprofit organization to administer a homeownership program under subsection (y).

"(15) RENTAL VOUCHERS FOR RELOCATION OF WITNESSES AND VICTIMS OF CRIME.—

"(A) IN GENERAL.—Of amounts made available for assistance under this subsection in each fiscal year, the Secretary, in consultation with the Inspector General, shall make available such sums as may be necessary for the relocation of witnesses in connection with efforts to combat crime in public and assisted housing pursuant to requests from law enforcement or prosecution agencies.

"(B) VICTIMS OF CRIME.—

"(i) IN GENERAL.—Of amounts made available for assistance under this section in each fiscal year, the Secretary shall make available such sums as may be necessary for the relocation of families residing in public housing who are victims of a crime of violence (as that term is defined in section 16 of title 18, United States Code) that has been reported to an appropriate law enforcement agency.

"(ii) NOTICE.—A public housing agency that receives amounts under this subparagraph shall establish procedures for providing notice of the availability of that assistance to families that may be eligible for that assistance.".

(b) CONFORMING AMENDMENT.—Section 8(f)(6) of the United States Housing Act (42 U.S.C. 1437f(f)(6)) is amended by striking "(d)(2)" and inserting "(o)(12)".

SEC. 202. REPEAL OF FEDERAL PREFERENCES.

(a) SECTION 8 EXISTING AND MODERATE REHABILITATION.—Section 8(d)(1)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)(1)(A)) is amended to read as follows:

"(A) the selection of tenants shall be the function of the owner, subject to the annual contributions contract between the Secretary and the agency, except that with respect to the certificate and moderate rehabilitation programs only, for the purpose of selecting families to be assisted, the public housing agency may establish local preferences, consistent with the public housing agency plan submitted by the public housing agency under section 5A;".

(b) SECTION 8 NEW CONSTRUCTION AND SUBSTANTIAL REHABILITATION.—

(1) REPEAL.—Section 545(c) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note) is amended to read as follows:

"(c) [Reserved.]".

(2) PROHIBITION.—The provisions of section 8(e)(2) of the United States Housing Act of 1937, as in existence on the day before October 1, 1983, that require tenant selection preferences shall not apply with respect to—

(A) housing constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of the United

States Housing Act of 1937, as in existence on the day before October 1, 1983; or

(B) projects financed under section 202 of the Housing Act of 1959, as in existence on the day before the date of enactment of the Cranston-Gonzalez National Affordable Housing Act.

(c) RENT SUPPLEMENTS.—Section 101(k) of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s(k)) is amended to read as follows:

"(k) [Reserved.]".

(d) CONFORMING AMENDMENTS.—

(1) UNITED STATES HOUSING ACT OF 1937.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(A) in section 6(o), by striking "preference rules specified in" and inserting "written selection criteria established pursuant to";

(B) in section 8(d)(2)(A), by striking the last sentence; and

(C) in section 8(d)(2)(H), by striking "Notwithstanding subsection (d)(1)(A)(i), an" and inserting "An".

(2) CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT.—The Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704 et seq.) is amended—

(A) in section 455(a)(2)(D)(iii), by striking "would qualify for a preference under" and inserting "meet the written selection criteria established pursuant to"; and

(B) in section 522(f)(6)(B), by striking "any preferences for such assistance under section 8(d)(1)(A)(i)" and inserting "the written selection criteria established pursuant to section 8(d)(1)(A)".

(3) LOW-INCOME HOUSING PRESERVATION AND RESIDENT HOMEOWNERSHIP ACT OF 1990.—The second sentence of section 226(b)(6)(B) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4116(b)(6)(B)) is amended by striking "requirement for giving preferences to certain categories of eligible families under" and inserting "written selection criteria established pursuant to".

(4) HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1992.—Section 655 of the Housing and Community Development Act of 1992 (42 U.S.C. 13615) is amended by striking "preferences for occupancy" and all that follows before the period at the end and inserting "selection criteria established by the owner to elderly families according to such written selection criteria, and to near-elderly families according to such written selection criteria, respectively".

(5) REFERENCES IN OTHER LAW.—Any reference in any Federal law other than any provision of any law amended by paragraphs (1) through (5) of this subsection or section 201 to the preferences for assistance under section 8(d)(1)(A)(i) or 8(o)(3)(B) of the United States Housing Act of 1937, as those sections existed on the day before the effective date of this title, shall be considered to refer to the written selection criteria established pursuant to section 8(d)(1)(A) or 8(o)(6)(A), respectively, of the United States Housing Act of 1937, as amended by this subsection and section 201 of this Act.

SEC. 203. PORTABILITY.

Section 8(r) of the United States Housing Act of 1937 (42 U.S.C. 1437f(r)) is amended—

(1) in paragraph (1)—

(A) by striking "assisted under subsection (b) or (o)" and inserting "receiving tenant-based assistance under subsection (o)"; and

(B) by striking "the same State" and all that follows before the semicolon and inserting "any area in which a program is being administered under this section";

(2) in paragraph (2), by striking the last sentence;

(3) in paragraph (3)—

(A) by striking "(b) or"; and

(B) by adding at the end the following: "The Secretary shall establish procedures for the compensation of public housing agencies that issue vouchers to families that move into or out of the jurisdiction of the public housing agency under portability procedures. The Secretary may reserve amounts available for assistance under subsection (o) to compensate those public housing agencies."; and

(4) by adding at the end the following:

"(5) LEASE VIOLATIONS.—A family may not receive a voucher from a public housing agency and move to another jurisdiction under the tenant-based assistance program if the family has moved out of the assisted dwelling unit of the family in violation of a lease.".

SEC. 204. LEASING TO VOUCHER HOLDERS.

Section 8(t) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t)) is amended to read as follows:

"(t) [Reserved.]".

SEC. 205. HOMEOWNERSHIP OPTION.

(a) IN GENERAL.—Section 8(y) of the United States Housing Act of 1937 (42 U.S.C. 1437f(y)) is amended—

(1) in paragraph (1)—

(A) by striking "A family receiving" and all that follows through "if the family" and inserting the following: "A public housing agency providing tenant-based assistance on behalf of an eligible family under this section may provide assistance for an eligible family that purchases a dwelling unit (including a unit under a lease-purchase agreement) that will be owned by 1 or more members of the family, and will be occupied by the family, if the family";

(B) in subparagraph (A), by inserting before the semicolon ", or owns or is acquiring shares in a cooperative"; and

(C) in subparagraph (B)—

(i) by striking "(i) participates" and all that follows through "(ii) demonstrates" and inserting "demonstrates"; and

(ii) by inserting ", except that the Secretary may provide for the consideration of public assistance in the case of an elderly family or a disabled family" after "other than public assistance";

(2) by striking paragraph (2) and inserting the following:

"(2) DETERMINATION OF AMOUNT OF ASSISTANCE.—

"(A) MONTHLY EXPENSES DO NOT EXCEED PAYMENT STANDARD.—If the monthly homeownership expenses, as determined in accordance with requirements established by the Secretary, do not exceed the payment standard, the monthly assistance payment shall be the amount by which the homeownership expenses exceed the highest of the following amounts, rounded to the nearest dollar:

"(i) Thirty percent of the monthly adjusted income of the family.

"(ii) Ten percent of the monthly income of the family.

"(iii) If the family is receiving payments for welfare assistance from a public agency, and a portion of those payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by that agency to meet the housing costs of the family, the portion of those payments that is so designated.

"(B) MONTHLY EXPENSES EXCEED PAYMENT STANDARD.—If the monthly homeownership expenses, as determined in accordance with requirements established by the Secretary, exceed the payment standard, the monthly assistance payment shall be the amount by which the applicable payment standard exceeds the highest of the following amounts, rounded to the nearest dollar:

"(i) Thirty percent of the monthly adjusted income of the family.

"(ii) Ten percent of the monthly income of the family.

"(iii) If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by that agency to meet the housing costs of the family, the portion of those payments that is so designated.";

(3) by striking paragraphs (3) and (4) and inserting the following:

"(3) INSPECTIONS AND CONTRACT CONDITIONS.—

"(A) IN GENERAL.—Each contract for the purchase of a unit to be assisted under this section shall—

"(i) provide for pre-purchase inspection of the unit by an independent professional; and

"(ii) require that any cost of necessary repairs be paid by the seller.

"(B) ANNUAL INSPECTIONS NOT REQUIRED.—The requirement under subsection (o)(8)(A)(ii) for annual inspections shall not apply to units assisted under this section.

"(4) OTHER AUTHORITY OF THE SECRETARY.—The Secretary may—

"(A) limit the term of assistance for a family assisted under this subsection; and

"(B) modify the requirements of this subsection as the Secretary determines to be necessary to make appropriate adaptations for lease-purchase agreements.";

(4) by striking paragraph (5); and

(5) by redesignating paragraphs (6) through (8) as paragraphs (5) through (7), respectively.

(b) DEMONSTRATION.—

(1) IN GENERAL.—With the consent of the affected public housing agencies, the Secretary may carry out (or contract with 1 or more entities to carry out) a demonstration program under section 8(y) of the United States Housing Act of 1937 (42 U.S.C. 1437f(y)) to expand homeownership opportunities for low-income families.

(2) REPORT.—The Secretary shall report annually to Congress on activities conducted under this subsection.

SEC. 206. LAW ENFORCEMENT AND SECURITY PERSONNEL IN PUBLIC HOUSING.

Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) is amended by adding at the end the following:

"(cc) LAW ENFORCEMENT AND SECURITY PERSONNEL.—

"(1) IN GENERAL.—Notwithstanding any other provision of this Act, in the case of assistance attached to a structure, for the purpose of increasing security for the residents of a public housing project, an owner may admit, and assistance may be provided to, police officers and other security personnel who are not otherwise eligible for assistance under the Act).

"(2) RENT REQUIREMENTS.—With respect to any assistance provided by an owner under this subsection, the Secretary may—

"(A) permit the owner to establish such rent requirements and other terms and conditions of occupancy that the Secretary considers to be appropriate; and

"(B) require the owner to submit an application for those rent requirements, which application shall include such information as the Secretary, in the discretion of the Secretary, determines to be necessary.".

SEC. 207. TECHNICAL AND CONFORMING AMENDMENTS.

(a) LOWER INCOME HOUSING ASSISTANCE.—Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) is amended—

(1) in subsection (a), by striking the second and third sentences;

(2) in subsection (b)—

(A) in the subsection heading, by striking "RENTAL CERTIFICATES AND"; and

(B) in the first undesignated paragraph—

(i) by striking "The Secretary" and inserting the following:

"(1) IN GENERAL.—The Secretary"; and

(ii) by striking the second sentence;

(3) in subsection (c)—

(A) in paragraph (3)—

(i) by striking "(A)"; and

(ii) by striking subparagraph (B);

(B) in the first sentence of paragraph (4), by striking "or by a family that qualifies to receive" and all that follows through "1990";

(C) by striking paragraph (5) and redesignating paragraph (6) as paragraph (5);

(D) by striking paragraph (7) and redesignating paragraphs (8) through (10) as paragraphs (6) through (8), respectively;

(E) effective on October 1, 1997, in paragraph (7), as redesignated, by striking "housing certificates or vouchers under subsection (b) or" and inserting "a voucher under subsection"; and

(F) in paragraph (8), as redesignated, by striking "(9)" and inserting "(7)";

(4) in subsection (d)—

(A) in paragraph (1)(B)(iii), by striking "drug-related criminal activity on or near such premises" and inserting "violent or drug-related criminal activity on or off such premises, or any activity resulting in a felony conviction";

(B) in paragraph (2)—

(i) in subparagraph (A), by striking the third sentence and all that follows through the end of the subparagraph; and

(ii) by striking subparagraphs (B) through (E) and redesignating subparagraphs (F) through (H) as subparagraphs (B) through (D), respectively;

(5) in subsection (f)—

(A) in paragraph (6), by striking "(d)(2)" and inserting "(o)(11)"; and

(B) in paragraph (7)—

(i) by striking "(b) or"; and

(ii) by inserting before the period the following: "and that provides for the eligible family to select suitable housing and to move to other suitable housing";

(6) by striking subsection (j) and inserting the following:

"(j) [Reserved.]";

(7) by striking subsection (n) and inserting the following:

"(n) [Reserved.]";

(8) in subsection (q)—

(A) in the first sentence of paragraph (1), by striking "certificate and housing voucher programs under subsections (b) and (o)" and inserting "voucher program under this section";

(B) in paragraph (2)(A)(i), by striking "certificate and housing voucher programs under subsections (b) and (o)" and inserting "voucher program under this section"; and

(C) in paragraph (2)(B), by striking "certificate and housing voucher programs under subsections (b) and (o)" and inserting "voucher program under this section";

(9) in subsection (u)—

(A) in paragraph (2), by striking ", certificates"; and

(B) by striking "certificates or" each place that term appears; and

(10) in subsection (x)(2), by striking "housing certificate assistance" and inserting "tenant-based assistance".

(b) PUBLIC HOUSING HOMEOWNERSHIP AND MANAGEMENT OPPORTUNITIES.—Section 21(b)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437s(b)(3)) is amended—

(1) in the first sentence, by striking "(at the option of the family) a certificate under section 8(b)(1) or a housing voucher under section 8(o)" and inserting "tenant-based assistance under section 8"; and

(2) by striking the second sentence.

(c) DOCUMENTATION OF EXCESSIVE RENT BURDENS.—Section 550(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note) is amended—

(1) in paragraph (1), by striking "assisted under the certificate and voucher programs established" and inserting "receiving tenant-based assistance";

(2) in the first sentence of paragraph (2)—

(A) by striking ", for each of the certificate program and the voucher program" and inserting "for the tenant-based assistance under section 8"; and

(B) by striking "participating in the program" and inserting "receiving tenant-based assistance"; and

(3) in paragraph (3), by striking "assistance under the certificate or voucher program" and inserting "tenant-based assistance under section 8 of the United States Housing Act of 1937".

(d) GRANTS FOR COMMUNITY RESIDENCES AND SERVICES.—Section 861(b)(1)(D) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12910(b)(1)(D)) is amended by striking "certificates or vouchers" and inserting "assistance".

(e) SECTION 8 CERTIFICATES AND VOUCHERS.—Section 931 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437c note) is amended by striking "assistance under the certificate and voucher programs under sections 8(b) and 8(o) of such Act" and inserting "tenant-based assistance under section 8 of the United States Housing Act of 1937".

(f) ASSISTANCE FOR DISPLACED RESIDENTS.—Section 223(a) of the Housing and Community Development Act of 1987 (12 U.S.C. 4113(a)) is amended by striking "assistance under the certificate and voucher programs under sections 8(b) and 8(o)" and inserting "tenant-based assistance under section 8".

(g) RURAL HOUSING PRESERVATION GRANTS.—Section 533(a) of the Housing Act of 1949 (42 U.S.C. 1490m(a)) is amended in the second sentence by striking "assistance payments as provided by section 8(o)" and inserting "tenant-based assistance as provided under section 8".

(h) REPEAL OF MOVING TO OPPORTUNITIES FOR FAIR HOUSING DEMONSTRATION.—Section 152 of the Housing and Community Development Act of 1992 (42 U.S.C. 1437f note) is repealed.

(i) PREFERENCES FOR ELDERLY FAMILIES AND PERSONS.—Section 655 of the Housing and Community Development Act of 1992 (42 U.S.C. 13615) is amended by striking "the first sentence of section 8(o)(3)(B)" and inserting "section 8(o)(6)(A)".

(j) ASSISTANCE FOR TROUBLED MULTIFAMILY HOUSING PROJECTS.—Section 201(m)(2)(A) of the Housing and Community Development Amendments of 1978 (12 U.S.C. 1715z-1a(m)(2)(A)) is amended by striking "section 8(b)(1)" and inserting "section 8".

(k) MANAGEMENT AND DISPOSITION OF MULTIFAMILY HOUSING PROJECTS.—Section 203(g)(2) of the Housing and Community Development Amendments of 1978 (12 U.S.C. 1701z-11(g)(2)) is amended by striking "8(o)(3)(B)" and inserting "8(o)(6)(A)".

SEC. 208. IMPLEMENTATION.

In accordance with the negotiated rulemaking procedures set forth in subchapter III of chapter 5 of title 5, United States Code, the Secretary shall issue such regulations as may be necessary to implement the amendments made by this title after notice and opportunity for public comment.

SEC. 209. DEFINITION.

In this title, the term "public housing agency" has the same meaning as section 3 of the United States Housing Act of 1937, except that such term shall also include any other nonprofit entity serving more than 1 local government jurisdiction that was administering the section 8 tenant-based assistance program pursuant to a contract with the Secretary or a public housing agency prior to the date of enactment of this Act.

SEC. 210. EFFECTIVE DATE.

(a) IN GENERAL.—The amendments made by this title shall become effective not later than 1 year after the date of enactment of this Act.

(b) CONVERSION ASSISTANCE.—

(1) IN GENERAL.—The Secretary may provide for the conversion of assistance under the certificate and voucher programs under subsections (b) and (o) of section 8 of the United States Housing Act of 1937, as those sections existed on the day before the effective date of the amendments made by this title, to the voucher program established by the amendments made by this title.

(2) CONTINUED APPLICABILITY.—The Secretary may apply the provisions of the United States Housing Act of 1937, or any other provision of law amended by this title, as those provisions existed on the day before the effective date of the amendments made by this title, to assistance obligated by the Secretary before that effective date for the certificate or voucher program under section 8 of the United States Housing Act of 1937, if the Secretary determines that such action is necessary for simplification of program administration, avoidance of hardship, or other good cause.

SEC. 211. RECAPTURE AND REUSE OF ANNUAL CONTRIBUTION CONTRACT PROJECT RESERVES UNDER THE TENANT-BASED ASSISTANCE PROGRAM.

Section 8(d) of the United States Housing Act of 1937 is amended by adding at the end the following:

"(5) RECAPTURE AND REUSE OF ANNUAL CONTRIBUTION CONTRACT PROJECT RESERVES.—

"(A) RECAPTURE.—To the extent that the Secretary determines that the amount in the annual contribution contract reserve account under a contract with a public housing agency for tenant-based assistance under this section is in excess of the amount needed by the public housing agency, the Secretary shall recapture such excess amount.

"(B) REUSE.—The Secretary may hold any amounts under this paragraph in reserve until needed to amend or renew an annual contributions contract with any public housing agency.".

TITLE III—SAFETY AND SECURITY IN PUBLIC AND ASSISTED HOUSING

SEC. 301. SCREENING OF APPLICANTS.

(a) INELIGIBILITY BECAUSE OF PAST EVICTIONS.—

(1) IN GENERAL.—Any household or member of a household evicted from federally assisted housing (as that term is defined in section 305(1)) by reason of drug-related criminal activity (as that term is defined in section 305(3)) or for other serious violations of

the terms or conditions of the lease shall not be eligible for federally assisted housing—

(A) in the case of eviction by reason of drug-related criminal activity, for a period of not less than 3 years from the date of the eviction unless the evicted member of the household successfully completes a rehabilitation program; and

(B) for other evictions, for a reasonable period of time as determined by the public housing agency or owner of the federally assisted housing, as applicable.

(2) WAIVER.—The requirements of subparagraphs (A) and (B) of paragraph (1) may be waived if the circumstances leading to eviction no longer exist.

(b) INELIGIBILITY OF ILLEGAL DRUG USERS AND ALCOHOL ABUSERS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, a public housing agency shall establish standards that prohibit admission to the program or admission to federally assisted housing for any household with a member—

(A) who the public housing agency determines is engaging in the illegal use of a controlled substance; or

(B) with respect to whom the public housing agency determines that it has reasonable cause to believe that such household member's illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol would interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

(2) OWNERS OF FEDERALLY ASSISTED HOUSING.—The Secretary may require any owner of federally assisted housing to establish admission standards under this subsection.

(3) CONSIDERATION OF REHABILITATION.—In determining whether, pursuant to paragraph (1)(B), to deny admission to the program or to federally assisted housing to any household based on a pattern of illegal use of a controlled substance or a pattern of abuse of alcohol by a household member, a public housing agency may consider whether such household member—

(A) has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable);

(B) has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable); or

(C) is participating in a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable).

(c) PROCEDURE FOR RECEIPT OF INFORMATION FROM A DRUG ABUSE TREATMENT FACILITY ABOUT THE CURRENT ILLEGAL USE OF A CONTROLLED SUBSTANCE.—

(1) DEFINITIONS.—In this subsection:

(A) DRUG ABUSE TREATMENT FACILITY.—The term "drug abuse treatment facility" means—

(i) an entity other than a general medical care facility; or

(ii) an identified unit within a general medical care facility which holds itself out as providing, and provides, diagnosis, treatment, or referral for treatment with respect to the illegal use of a controlled substance.

(B) CONTROLLED SUBSTANCE.—The term "controlled substance" has the meaning given the term in section 102 of the Controlled Substances Act (21 U.S.C. 802).

(C) CURRENTLY ENGAGING IN THE ILLEGAL USE OF A CONTROLLED SUBSTANCE.—The term "currently engaging in the illegal use of a controlled substance" means the illegal use of a controlled substance that occurred recently enough to justify a reasonable belief that an applicant's illegal use of a controlled substance is current or that continuing illegal use of a controlled substance by the applicant is a real and ongoing problem.

(2) AUTHORITY.—Notwithstanding any other provision of law other than the Public Health Service Act (42 U.S.C. 201 et seq.), a public housing agency may require each person who applies for admission to public housing to sign 1 or more forms of written consent authorizing the public housing agency to receive information from a drug abuse treatment facility that is solely related to whether the applicant is currently engaging in the illegal use of a controlled substance.

(3) RESTRICTIONS TO PROTECT THE CONFIDENTIALITY OF AN APPLICANT'S RECORDS.—

(A) LIMITATION ON THE KIND AND AMOUNT OF INFORMATION REQUESTED ON FORM OF WRITTEN CONSENT.—In a form of written consent, a public housing agency may request only whether the drug abuse treatment facility has reasonable cause to believe that the applicant is currently engaging in the illegal use of a controlled substance.

(B) RECORDS MANAGEMENT.—Each public housing agency that receives information under this subsection from a drug abuse treatment facility shall establish and implement a system of records management that ensures that any information received by the public housing agency under this subsection—

(i) is maintained confidentially in accordance with section 543 of the Public Health Service Act (12 U.S.C. 290dd-2);

(ii) is not misused or improperly disseminated; and

(iii) is destroyed, as applicable—

(I) not later than 5 business days after the date on which the public housing agency gives final approval for an application for admission; or

(II) if the public housing agency denies the application for admission, in a timely manner after the date on which the statute of limitations for the commencement of a civil action from the applicant based upon that denial of admission has expired.

(C) EXPIRATION OF WRITTEN CONSENT.—In addition to the requirements of subparagraph (B), an applicant's signed written consent shall expire automatically after the public housing agency has made a final decision to either approve or deny the applicant's application for admittance to public housing.

(4) RESTRICTIONS TO PROHIBIT THE DISCRIMINATORY TREATMENT OF APPLICANTS.—

(A) FORMS SIGNED.—A public housing agency may only require an applicant for admission to public housing to sign 1 or more forms of written consent under this subsection if the public housing agency requires all such applicants to sign the same form or forms of written consent.

(B) CIRCUMSTANCES OF INQUIRY.—A public housing agency may only make an inquiry to a drug abuse treatment facility under this subsection if—

(i) the public housing agency makes the same inquiry with respect to all applicants; or

(ii) the public housing agency only makes the same inquiry with respect to each and every applicant with respect to whom—

(I) the public housing agency receives information from the criminal record of the applicant that indicates evidence of a prior arrest or conviction; or

(II) the public housing agency receives information from the records of prior tenancy of the applicant that demonstrates that the applicant—

(aa) engaged in the destruction of property;

(bb) engaged in violent activity against another person; or

(cc) interfered with the right of peaceful enjoyment of the premises of another tenant.

(5) FEE PERMITTED.—A drug abuse treatment facility may charge a public housing agency a reasonable fee for information provided under this subsection.

(6) DISCLOSURE PERMITTED BY DRUG ABUSE TREATMENT FACILITIES.—A drug abuse treatment facility shall not be liable for damages based on any information required to be disclosed pursuant to this subsection if such disclosure is consistent with section 543 of the Public Health Service Act (42 U.S.C. 290dd-2).

(7) PUBLIC HOUSING AGENCIES NOT REQUIRED TO MAKE INQUIRIES TO DRUG ABUSE TREATMENT FACILITIES.—A public housing agency shall not be liable for damages based on its decision not to require each person who applies for admission to public housing to sign 1 or more forms of written consent authorizing the public housing agency to receive information from a drug abuse treatment facility under this subsection.

(8) EFFECTIVE DATE.—This subsection shall take effect upon enactment and without the necessity of guidance from, or any regulation issued by, the Secretary.

(d) STUDY AND REPORT.—Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall conduct a study, and submit to the Committee on Banking, Housing, and Urban Affairs of the Senate a report that includes information relating to—

(1) the proportion of United States public housing agencies that screen applicants for drug and alcohol addiction;

(2) the extent, if any, to which the screening described in paragraph (1), alone or in combination with other initiatives, has reduced crime in public housing; and

(3) the relative value of different types of information used by public housing agencies in the screening process described in paragraph (1), including criminal records, credit histories, tenancy records, and information from drug abuse treatment facilities on current illegal drug use of applicants (as that term is defined in subsection (c)(1)).

(e) AUTHORITY TO REQUIRE ACCESS TO CRIMINAL RECORDS.—A public housing agency may require, as a condition of providing admission to the public housing program or assisted housing program under the jurisdiction of the public housing agency, that each adult member of the household provide a signed, written authorization for the public housing agency to obtain records described in section 304 regarding such member of the household from the National Crime Information Center, police departments, and other law enforcement agencies.

(f) INELIGIBILITY OF SEXUALLY VIOLENT PREDATORS FOR ADMISSION TO PUBLIC HOUSING.—

(1) IN GENERAL.—Notwithstanding any other provision of law, a public housing agency shall prohibit admission to public or assisted housing of any family that includes any individual who is a sexually violent predator.

(2) DEFINITION.—In this subsection, the term "sexually violent predator" means an individual who—

(A) is a sexually violent predator (as that term is defined in section 170101(a)(3) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071(a)(3))); and

(B) is subject to a registration requirement under section 170101(a)(1)(B) or 170102(c) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071(a)(1)(B), 14072(c)), as provided under section 170101(b)(6)(B) or 170102(d)(2), respectively, of that Act.

SEC. 302. TERMINATION OF TENANCY AND ASSISTANCE.

(a) TERMINATION OF TENANCY AND ASSISTANCE FOR ILLEGAL DRUG USERS AND ALCOHOL ABUSERS.—Notwithstanding any other provision of law, a public housing agency or an owner of federally assisted housing, as applicable, shall establish standards or lease provisions for continued assistance or occupancy in federally assisted housing that allow a public housing agency or the owner, as applicable, to terminate the tenancy or assistance for any household with a member—

(1) who the public housing agency or owner determines is engaging in the illegal use of a controlled substance; or

(2) whose illegal use of a controlled substance, or whose abuse of alcohol, is determined by the public housing agency or owner to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

(b) TERMINATION OF ASSISTANCE FOR SERIOUS OR REPEATED LEASE VIOLATION.—Notwithstanding any other provision of law, the public housing agency must terminate tenant-based assistance for all household members if the household is evicted from assisted housing for serious or repeated violation of the lease.

SEC. 303. LEASE REQUIREMENTS.

In addition to any other applicable lease requirements, each lease for a dwelling unit in federally assisted housing shall provide that, during the term of the lease—

(1) the owner may not terminate the tenancy except for serious or repeated violation of the terms and conditions of the lease, violation of applicable Federal, State, or local law, or other good cause; and

(2) grounds for termination of tenancy shall include any activity, engaged in by the resident, any member of the resident's household, any guest, or any other person under the control of any member of the household, that—

(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other residents or employees of the public housing agency, owner, or other manager of the housing;

(B) threatens the health or safety of, or right to peaceful enjoyment of their residences by, persons residing in the immediate vicinity of the premises; or

(C) is drug-related or violent criminal activity on or off the premises, or any activity resulting in a felony conviction.

SEC. 304. AVAILABILITY OF CRIMINAL RECORDS FOR PUBLIC HOUSING RESIDENT SCREENING AND EVICTION.

(a) IN GENERAL.—

(1) PROVISION OF INFORMATION.—Notwithstanding any other provision of law other than paragraph (2), upon the request of a public housing agency, the National Crime Information Center, a police department, and any other law enforcement agency shall provide to the public housing agency information regarding the criminal conviction records of an adult applicant for, or residents of, the public housing program or assisted housing program under the jurisdiction of the public housing agency for purposes of applicant screening, lease enforcement, and eviction, but only if the public housing agency requests such information and presents to such Center, department, or agency a written authorization, signed by such applicant, for the release of such information to such public housing agency.

(2) EXCEPTION.—A law enforcement agency described in paragraph (1) shall provide information under this paragraph relating to any criminal conviction of a juvenile only to the extent that the release of such information is authorized under the law of the applicable State, tribe, or locality.

(b) INFORMATION REGARDING CRIMES COMMITTED BY SEXUALLY VIOLENT PREDATORS AND CRIMES AGAINST CHILDREN.—

(1) DEFINITION OF APPROPRIATE LAW ENFORCEMENT AGENCY.—In this subsection, the term "appropriate law enforcement agency" means—

(A) the Federal Bureau of Investigation;

(B) a State law enforcement agency designated as a registration agency under a State registration program under subtitle A of title XVII of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071 et seq.); or

(C) any local law enforcement agency authorized by a State law enforcement agency described in subparagraph (B).

(2) PROVISION OF INFORMATION.—Notwithstanding any other provision of law other than subsection (a)(2), the appropriate law enforcement agency shall provide to a public housing agency any information collected under the national database established pursuant to section 170102 of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14072), or under a State registration program under subtitle A of title XVII of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071 et seq.), as applicable, regarding an adult who is an applicant for, or a resident of, federally assisted housing, for purposes of applicant screening, lease enforcement, or eviction, if the public housing agency—

(A) requests the information; and

(B) presents to the appropriate law enforcement agency a written authorization, signed by the adult at issue, for the release of that information to the public housing agency or other owner of the federally assisted housing.

(c) OPPORTUNITY TO DISPUTE.—Before an adverse action is taken with regard to assistance for public housing on the basis of a criminal record, the public housing agency shall provide the resident or applicant with a copy of the criminal record and an opportunity to dispute the accuracy and relevance of that record.

(d) RECORDS MANAGEMENT.—Each public housing agency that receives criminal record information under this section shall establish and implement a system of records management that ensures that any criminal record received by the agency is—

(1) maintained confidentially;

(2) not misused or improperly disseminated; and

(3) destroyed in a timely fashion, once the purpose for which the record was requested has been accomplished.

(e) FEE.—A public housing agency may be charged a reasonable fee for information provided under this section.

(f) DEFINITION OF ADULT.—In this section, the term "adult" means a person who is 18 years of age or older, or who has been convicted of a crime as an adult under any Federal, State, or tribal law.

SEC. 305. DEFINITIONS.

In this title:

(1) FEDERALLY ASSISTED HOUSING.—The term "federally assisted housing" means a unit in—

(A) public housing under the United States Housing Act of 1937;

(B) housing assisted under section 8 of the United States Housing Act of 1937 including both tenant-based assistance and project-based assistance;

(C) housing that is assisted under section 202 of the Housing Act of 1959 (as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act);

(D) housing that is assisted under section 202 of the Housing Act of 1959 (as in existence immediately before the date of enactment of the Cranston-Gonzalez National Affordable Housing Act); and

(E) housing that is assisted under section 811 of the Cranston-Gonzalez National Affordable Housing Act.

(2) DRUG-RELATED CRIMINAL ACTIVITY.—The term "drug-related criminal activity" means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

(3) OWNER.—The term "owner" means, with respect to federally assisted housing, the entity or private person, including a cooperative or public housing agency, that has the legal right to lease or sublease dwelling units in such housing.

SEC. 306. CONFORMING AMENDMENTS.

Section 6 of the United States Housing Act of 1937 (42 U.S.C. 1437d) is amended—

(1) in subsection (l) (as amended by section 107(f) of this Act)—

(A) by striking paragraphs (4) and (5);

(B) by striking the last sentence; and

(C) by redesignating paragraphs (6) through (8) as paragraphs (4) through (6), respectively;

(2) by striking subsections (q) and (r); and

(3) by redesignating subsection (s) (as added by section 109 of this Act) as subsection (q).

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. PUBLIC HOUSING FLEXIBILITY IN THE CHAS.

Section 105(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705(b)) is amended—

(1) by redesignating the second paragraph designated as paragraph (17) (as added by section 681(2) of the Housing and Community Development Act of 1992) as paragraph (20);

(2) by redesignating paragraph (17) (as added by section 220(b)(3) of the Housing and Community Development Act of 1992) as paragraph (19);

(3) by redesignating the second paragraph designated as paragraph (16) (as added by section 220(c)(1) of the Housing and Community Development Act of 1992) as paragraph (18);

(4) in paragraph (16)—

(A) by striking the period at the end and inserting a semicolon; and

(B) by striking "(16)" and inserting "(17)";

(5) by redesignating paragraphs (11) through (15) as paragraphs (12) through (16), respectively; and

(6) by inserting after paragraph (10) the following:

"(11) describe the manner in which the plan of the jurisdiction will help address the needs of public housing and is consistent with the local public housing agency plan under section 5A of the United States Housing Act of 1937;".

SEC. 402. DETERMINATION OF INCOME LIMITS.

(a) IN GENERAL.—Section 3(b)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(2)) is amended—

(1) in the fourth sentence—

(A) by striking "County," and inserting "and Rockland Counties"; and

(B) by inserting "each" before "such county"; and

(2) in the fifth sentence, by striking "County" each place that term appears and inserting "and Rockland Counties".

(b) REGULATIONS.—Not later than 90 days after the date of enactment of this Act, the Secretary shall issue regulations implementing the amendments made by subsection (a).

SEC. 403. DEMOLITION OF PUBLIC HOUSING.

Notwithstanding any other provision of law, beginning on the date of enactment of this Act, the public housing projects described in section 415 of the Department of Housing and Urban Development—Independent Agencies Appropriations Act, 1988 (as in existence on April 25, 1996) shall be eligible for demolition under—

(1) section 9 of the United States Housing Act of 1937, as amended by this Act; and

(2) section 14 of the United States Housing Act of 1937, as that section existed on the day before the date of enactment of this Act.

SEC. 404. NATIONAL COMMISSION ON HOUSING ASSISTANCE PROGRAM COSTS.

(a) DEFINITIONS.—In this section—

(1) the term "Commission" means the National Commission on Housing Assistance Program Costs established in subsection (b);

(2) the term "Federal assisted housing programs" means—

(A) the public housing program under the United States Housing Act of 1937;

(B) the certificate program for rental assistance under section 8(b)(1) of the United States Housing Act of 1937;

(C) the voucher program for rental assistance under section 8(o) of the United States Housing Act of 1937;

(D) the programs for project-based assistance under section 8 of the United States Housing Act of 1937;

(E) the rental assistance payments program under section 521(a)(2)(A) of the Housing Act of 1949;

(F) the program for housing for the elderly under section 202 of the Housing Act of 1959;

(G) the program for housing for persons with disabilities under section 811 of the Cranston-Gonzalez National Affordable Housing Act;

(H) the program for financing housing by a loan or mortgage insured under section 221(d)(3) of the National Housing Act that bears interest at a rate determined under the proviso of section 221(d)(5) of such Act;

(I) the program under section 236 of the National Housing Act;

(J) the program for constructed or substantial rehabilitation under section 8(b)(2) of the United States Housing Act of 1937, as in effect before October 1, 1983; and

(K) any other program for housing assistance administered by the Secretary of Housing and Urban Development or the Secretary of Agriculture, under which occupancy in the housing assisted or housing assistance provided is based on income, as the Commission may determine; and

(3) the term "Secretary" means the Secretary of Housing and Urban Development.

(b) ESTABLISHMENT; PURPOSE.—

(1) ESTABLISHMENT.—There is established a commission to be known as the "National Commission on Housing Assistance Program Costs".

(2) PURPOSE.—The purpose of the Commission shall be to provide an objective and independent accounting and analysis of the full cost to the Federal Government, public housing agencies, State and local governments, and other entities, per assisted household, of the Federal assisted housing programs, taking into account the qualitative differences among Federal assisted housing programs in accordance with applicable standards of the Department of Housing and Urban Development.

(c) MEMBERSHIP.—

(1) APPOINTMENT.—The Commission shall be composed of 12 members, of whom—

(A) 1 member shall be the Inspector General of the Department of Housing and Urban Development;

(B) 2 members shall be appointed by the Secretary;

(C) 2 members shall be appointed by the Chairman and Ranking Minority Member of the Subcommittee on Housing Opportunity and Community Development of the Committee on Banking, Housing, and Urban Affairs of the Senate and the Chairman and Ranking Minority Member of the Subcommittee on VA, HUD, and Independent Agencies of the Committee on Appropriations of the Senate;

(D) 2 members shall be appointed by the Chairman and Ranking Minority Member of the Subcommittee on Housing and Community Opportunity of the Committee on Banking and Financial Services of the House of Representatives and the Chairman and Ranking Minority Member of the Subcommittee on VA, HUD, and Independent Agencies of the Committee on Appropriations of the House of Representatives;

(E) 1 member shall be appointed by the Majority Leader of the Senate;

(F) 1 member shall be appointed by the Majority Leader of the House of Representatives;

(G) 1 member shall be appointed by the Minority Leader of the Senate;

(H) 1 member shall be appointed by the Minority Leader of the House of Representatives; and

(I) 1 member shall be an ex-officio member appointed by the Comptroller General of the United States, from among officers and employees of the General Accounting Office.

(2) INITIAL APPOINTMENTS.—The initial members of the Commission shall be appointed not later than 90 days after the date of enactment of this Act.

(3) QUALIFICATIONS.—The members of the Commission appointed under paragraph (1)—

(A) shall all be experts in the field of accounting, economics, cost analysis, finance, or management; and

(B) shall include—

(i) 1 individual who is a distinguished academic engaged in teaching or research;

(ii) 1 individual who is a business leader, financial officer, or management expert; and

(iii) 1 individual who is—

(I) a financial expert employed in the private sector; and

(II) knowledgeable about housing and real estate issues.

(4) ADDITIONAL QUALIFICATIONS.—In selecting members of the Commission for appointment, the individual making the appointment shall ensure that each member selected is able to analyze the Federal assisted housing programs on an objective basis, and that no individual is appointed to the Commission if that individual has a personal financial interest, professional association, or business interest in any Federal assisted housing program, such that it would pose a conflict of interest if that individual were appointed to the Commission.

(d) ORGANIZATION.—

(1) CHAIRPERSON.—The Commission shall elect a chairperson from among members of the Commission.

(2) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business, but a lesser number may hold hearings.

(3) VOTING.—

(A) IN GENERAL.—Except as provided in subparagraph (B), each member of the Commission shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Commission.

(B) EXCEPTION.—The member of the Commission appointed pursuant to subsection (c)(1)(I) shall be a nonvoting member of the Commission.

(4) VACANCIES.—Any vacancy on the Commission shall not affect its powers, but shall be filled in the manner in which the original appointment was made.

(5) PROHIBITION ON ADDITIONAL PAY.—Members of the Commission shall serve without compensation.

(6) TRAVEL EXPENSES.—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(e) FUNCTIONS.—

(1) IN GENERAL.—The Commission shall—

(A) analyze the full cost to the Federal Government, public housing agencies, State and local governments, and other parties, per assisted household, of the Federal assisted housing programs, and shall conduct the analysis on a nationwide and regional basis and in a manner such that accurate per unit cost comparisons may be made between Federal assisted housing programs, including grants, direct subsidies, tax concessions, Federal mortgage insurance liability, periodic renovation and rehabilitation, and modernization costs, demolition costs, and other ancillary costs such as security; and

(B) measure and evaluate qualitative differences among Federal assisted housing programs in accordance with applicable standards of the Department of Housing and Urban Development.

(2) FINAL REPORT.—Not later than 24 months after the initial members of the Commission are appointed pursuant to subsection (c)(2), the Commission shall submit to the Secretary and to the Congress a final report which shall contain the results of the analysis and estimates required under paragraph (1).

(3) LIMITATION.—The Commission may not make any recommendations regarding Federal housing policy.

(f) POWERS.—

(1) HEARINGS.—The Commission may, for the purpose of carrying out this section, hold such hearings and sit and act at such times and places as the Commission may find advisable.

(2) RULES AND REGULATIONS.—The Commission may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organization, and personnel.

(3) ASSISTANCE FROM FEDERAL AGENCIES.—

(A) INFORMATION.—The Commission may request from any department or agency of the United States, and such department or agency shall provide to the Commission in a timely fashion, such data and information as the Commission may require to carry out this section.

(B) ADMINISTRATIVE SUPPORT.—The General Services Administration shall provide to the

Commission, on a reimbursable basis, such administrative support services as the Commission may request.

(C) PERSONNEL DETAILS AND TECHNICAL ASSISTANCE.—Upon the request of the chairperson of the Commission, the Secretary shall, to the extent possible and subject to the discretion of the Secretary—

(i) detail any of the personnel of the Department of Housing and Urban Development, on a nonreimbursable basis, to assist the Commission in carrying out its duties under this section; and

(ii) provide the Commission with technical assistance in carrying out its duties under this section.

(4) INFORMATION FROM LOCAL HOUSING AND MANAGEMENT AUTHORITIES.—The Commission shall have access, for the purpose of carrying out its functions under this section, to any books, documents, papers, and records of a local housing and management authority that are pertinent to this section and assistance received pursuant to this section.

(5) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other Federal agencies.

(6) CONTRACTING.—The Commission may, to the extent and in such amounts as are provided in appropriations Acts, enter into contracts necessary to carry out its duties under this section.

(7) STAFF.—

(A) EXECUTIVE DIRECTOR.—The Commission shall appoint an executive director of the Commission who shall be compensated at a rate fixed by the Commission, not to exceed the rate established for level V of the Executive Schedule under title 5, United States Code.

(B) PERSONNEL.—In addition to the executive director, the Commission may appoint and fix the compensation of such personnel as it deems advisable, in accordance with the provisions of title 5, United States Code, governing appointments to the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

(C) LIMITATION.—Subparagraphs (A) and (B) shall be effective only to the extent and in such amounts as are provided in appropriations Acts.

(D) SELECTION CRITERIA.—In appointing an executive director and staff, the Commission shall ensure that the individuals appointed can conduct any functions they may have regarding the Federal assisted housing programs on an objective basis and that no such individual has a personal financial or business interest in any such program.

(8) ADVISORY COMMITTEE.—The Commission shall be considered an advisory committee within the meaning of the Federal Advisory Committee Act (5 U.S.C. App.).

(g) FUNDING.—Of any amounts made available to the Department of Housing and Urban Development for each of fiscal years 1998 and 1999, there shall be available $4,500,000 to carry out this section.

(h) SUNSET.—The Commission shall terminate upon the expiration of the 24-month period beginning on the date on which the initial members of the Commission are appointed pursuant to subsection (c)(2).

SEC. 405. TECHNICAL CORRECTION OF PUBLIC HOUSING AGENCY OPT-OUT AUTHORITY.

Section 214(h)(2)(A) of the Housing and Community Development Act of 1980 (42 U.S.C. 1436(h)(2)(A)) is amended by striking "this section" and inserting "paragraph (1) of this subsection".

SEC. 406. REVIEW OF DRUG ELIMINATION PROGRAM CONTRACTS.

(a) REQUIREMENT.—The Secretary shall investigate all security contracts awarded by grantees under the Public and Assisted Housing Drug Elimination Act of 1990 (42 U.S.C. 11901 et seq.) that are public housing agencies that own or operate more than 4,500 public housing dwelling units—

(1) to determine whether the contractors under such contracts have complied with all laws and regulations regarding prohibition of discrimination in hiring practices;

(2) to determine whether such contracts were awarded in accordance with the applicable laws and regulations regarding the award of such contracts;

(3) to determine how many such contracts were awarded under emergency contracting procedures;

(4) to evaluate the effectiveness of the contracts; and

(5) to provide a full accounting of all expenses under the contracts.

(b) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall complete the investigation required under subsection (a) and submit a report to Congress regarding the findings under the investigation. With respect to each such contract, the report shall—

(1) state whether the contract was made and is operating, or was not made or is not operating, in full compliance with applicable laws and regulations; and

(2) for each contract that the Secretary determines is in such compliance issue a personal certification of such compliance by the Secretary.

(c) ACTIONS.—For each contract that is described in the report under subsection (b) as not made or not operating in full compliance with applicable laws and regulations, the Secretary shall promptly take any actions available under law or regulation that are necessary—

(1) to bring such contract into compliance; or

(2) to terminate the contract.

(d) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act.

SEC. 407. TREATMENT OF PUBLIC HOUSING AGENCY REPAYMENT AGREEMENT.

(a) LIMITATION ON SECRETARY.—During the 2-year period beginning on the date of the enactment of this Act, if the Housing Authority of the City of Las Vegas, Nevada, is otherwise in compliance with the Repayment Lien Agreement and Repayment Plan approved by the Secretary on February 12, 1997, the Secretary of Housing and Urban Development shall not take any action that has the effect of reducing the inventory of senior citizen housing owned by such housing authority that does not receive assistance from the Department of Housing and Urban Development.

(b) ALTERNATIVE REPAYMENT OPTIONS.—During the period referred to in subsection (a), the Secretary shall assist the housing authority referred to in such subsection to identify alternative repayment options to the plan referred to in such subsection and to execute an amended repayment plan that will not adversely affect the housing referred to in such subsection.

(c) RULE OF CONSTRUCTION.—This section may not be construed to alter—

(1) any lien held by the Secretary pursuant to the agreement referred to in subsection (a); or

(2) the obligation of the housing authority referred to in subsection (a) to close all remaining items contained in the Inspector General audits numbered 89 SF 1004 (issued January 20, 1989), 93 SF 1801 (issued October 30, 1993), and 96 SF 1002 (issued February 23, 1996).

SEC. 408. CEILING RENTS FOR CERTAIN SECTION 8 PROPERTIES.

Notwithstanding any other provision of law, upon the request of the owner of the project, the Secretary may establish ceiling rents for the Marshall Field Garden Apartment Homes in Chicago, Illinois, if the ceiling rents are, in the determination of the Secretary, equivalent to rents for comparable properties.

SEC. 409. SENSE OF CONGRESS.

It is the sense of Congress that, each public housing agency involved in the selection of residents under the United States Housing Act of 1937 (including section 8 of that Act) should, consistent with the public housing agency plan of the public housing agency, consider preferences for individuals who are victims of domestic violence.

SEC. 410. OTHER REPEALS.

The following provisions of law are repealed:

(1) REPORT REGARDING FAIR HOUSING OBJECTIVES.—Section 153 of the Housing and Community Development Act of 1992 (42 U.S.C. 1437f note).

(2) SPECIAL PROJECTS FOR ELDERLY OR HANDICAPPED FAMILIES.—Section 209 of the Housing and Community Development Act of 1974 (42 U.S.C. 1438).

(3) LOCAL HOUSING ASSISTANCE PLANS.—Subsection (c) of section 213 of the Housing and Community Development Act of 1974 (42 U.S.C. 1439(c)).

(4) MISCELLANEOUS PROVISIONS.—Subsections (b)(1), (c), and (d) of section 326 of the Housing and Community Development Amendments of 1981 (Public Law 97–35, 95 Stat. 406; 42 U.S.C. 1437f note).

(5) PUBLIC HOUSING CHILDHOOD DEVELOPMENT.—Section 222 of the Housing and Urban-Rural Recovery Act of 1983 (12 U.S.C. 1701z–6 note).

(6) INDIAN HOUSING CHILDHOOD DEVELOPMENT.—Section 518 of the Cranston-Gonzalez National Affordable Housing Act (12 U.S.C. 1701z–6 note).

(7) PUBLIC HOUSING ONE-STOP PERINATAL SERVICES DEMONSTRATION.—Section 521 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437t note).

(8) PUBLIC HOUSING MINCS DEMONSTRATION.—Section 522 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note).

(9) PUBLIC HOUSING ENERGY EFFICIENCY DEMONSTRATION.—Section 523 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437g note).

(10) PUBLIC AND ASSISTED HOUSING YOUTH SPORTS PROGRAMS.—Section 520 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 11903a).

SEC. 411. GUARANTEE OF LOANS FOR ACQUISITION OF PROPERTY.

Notwithstanding section 108(b) of the Housing and Community Development Act of 1974 (42 U.S.C. 5308(b)), with respect to any eligible public entity (or any public agency designated by an eligible public entity) receiving assistance under that section (in this section referred to as the "issuer"), a guarantee or commitment to guarantee may be made with respect to any note or other obligation under such section 108 if the issuer's total outstanding notes or obligations guaranteed under that section (excluding any amount defeased under the contract entered into under section 108(d)(1)(A) of the Housing

and Community Development Act of 1974 (42 U.S.C. 5308(d)(1)(A))) would thereby exceed an amount equal to 5 times the amount of the grant approval for the issuer pursuant to section 106 or 107 of the Housing and Community Development Act of 1974, if the issuer's total outstanding notes or obligations guaranteed under that section (excluding any amount defeased under the contract entered into under section 108(d)(1)(A) of the Housing and Community Development Act of 1974 (42 U.S.C. 5308(d)(1)(A))) would not thereby exceed an amount equal to 6 times the amount of the grant approval for the issuer pursuant to section 106 or 107 of the Housing and Community Development Act of 1974, if the additional grant amount is used only for the purpose of acquiring or transferring the ownership of the production facility located at the following address in order to maintain production: One Prince Avenue, Lowell, Massachusetts 01852.

SEC. 412. PROHIBITION ON USE OF ASSISTANCE FOR EMPLOYMENT RELOCATION ACTIVITIES.

Section 105 of the Housing and Community Development Act of 1974 (42 U.S.C. 5305) is amended by adding at the end the following:

"(h) PROHIBITION ON USE OF ASSISTANCE FOR EMPLOYMENT RELOCATION ACTIVITIES.—Notwithstanding any other provision of law, no amount from a grant under section 106 made in fiscal year 1997 or any succeeding fiscal year may be used to directly assist in the relocation of any industrial or commercial plant, facility, or operation, from 1 area to another area, if the relocation is likely to result in an increase in the unemployment rate in the labor market area from which the relocation occurs.".

SEC. 413. USE OF HOME FUNDS FOR PUBLIC HOUSING MODERNIZATION.

Notwithstanding section 212(d)(5) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12742(d)(5)), amounts made available to the City of Bismarck, North Dakota or the State of North Dakota, under subtitle A of title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12741 et seq.) for fiscal year 1998, 1999, 2000, 2001, or 2002, may be used to carry out activities authorized under section 14 of the United States Housing Act of 1937 (42 U.S.C. 1437l) for the purpose of modernizing the Crescent Manor public housing project located at 107 East Bowen Avenue, in Bismarck, North Dakota, if—

(1) the Burleigh County Housing Authority (or any successor public housing agency that owns or operates the Crescent Manor public housing project) has obligated all other Federal assistance made available to that public housing agency for that fiscal year; or

(2) the Secretary of Housing and Urban Development authorizes the use of those amounts for the purpose of modernizing that public housing project, which authorization may be made with respect to 1 or more of those fiscal years.

SEC. 414. REPORT ON SINGLE FAMILY AND MULTIFAMILY HOMES.

Not later than March 1, 1998, the Inspector General of the Department of Housing and Urban Development shall submit to Congress a report, which shall include information relating to—

(1) with respect to 1- to 4-family dwellings owned by the Department of Housing and Urban Development as of November 1, 1997—

(A) the total number of units in those dwellings;

(B) the number and percentage of units in those dwellings that are unoccupied, and their average period of vacancy, as of that date; and

(C) the number and percentage of units in those dwellings that have been unoccupied for more than 1 year, as of that date;

(2) with respect to multifamily housing projects (as that term is defined in section 203 of the Housing and Community Development Amendments of 1978) owned by the Department of Housing and Urban Development as of November 1, 1997—

(A) the total number of units in those projects;

(B) the number and percentage of units in those projects that are unoccupied, and their average period of vacancy, as of that date;

(C) the number and percentage of units in those projects that have been unoccupied for more than 1 year, as of that date; and

(D) the number and percentage of units in those projects that are determined by the Inspector General to be substandard, based on any—

(i) lack of hot or cold piped water;

(ii) lack of working toilets;

(iii) regular and prolonged breakdowns in heating;

(iv) dangerous electrical problems;

(v) unsafe hallways or stairways;

(vi) leaking roofs, windows, or pipes;

(vii) open holes in walls and ceilings; and

(viii) indications of rodent infestation;

(3) the causes of the vacancies described in subparagraphs (B) and (C) of paragraph (1), and subparagraphs (B) and (C) of paragraph (2), and the programs of the Department of Housing and Urban Development that are, as of November 1, 1997, targeted to rectifying those causes; and

NOTICE OF HEARING

COMMITTEE ON RULES AND ADMINISTRATION

Mr. WARNER. Mr. President, I wish to announce that the Committee on Rules and Administration will hold a business meeting in SR–301, Russell Senate Office Building, on Wednesday, October 1, 1997, at 10 a.m. concerning the contested election for U.S. Senator from Louisiana.

For further information concerning this business meeting, please contact Bruce Kasold of the committee staff at 4–3448.

ADDITIONAL STATEMENTS

THE NATIONAL GUARD

• Mr. WARNER. Mr. President, as we are all well aware, sustained military operations around the world, coupled with declining numbers of active duty personnel, have required the Defense Department to rely more and more on the National Guard. Guard units and air assets have been called to active duty by the President and deployed throughout the world with increasing frequency. Serving directly with their active duty counterparts, National Guard units today are in every military theater. Theater commanders have continually stated that it would be a challenge to efficiently execute their operations without the Guard.

Two weeks ago, I had the privilege of attending a parade in honor of Virginia National Guard soldiers who have been recalled to support Operation Joint Guard, the ongoing NATO mission in the former Yugoslavia. The unit is Company C, 3–116th Infantry Battalion from the 29th Infantry Division and their mission will be to secure the base camp and Sava River bridge in Slavonski-Brod, Croatia. The 129 soldiers of this company will be deployed for up to 270 days. This is the first time an infantry unit has been mobilized under a Presidential callup for the Bosnia operation. I am very proud of this unit and all of the Commonwealth's National Guardsmen.

With the expanded role of the National Guard, I personally support greater recognition of the National Guard chief. Guardsmen from the Commonwealth and across the United States require strong leadership which can make their concerns known to the active duty military and ensure that the Guard is ready to perform its important missions. As always, these citizen-soldiers have committed themselves to be ready on a moment's notice. They must have a leader of sufficient rank and stature to effectively advocate their cause.

Recently, Senator STEVENS delivered remarks to the National Guard Association on the role of the National Guard Bureau chief. Senator STEVENS' remarks highlight the important issues facing the National Guard today and why it is necessary for their chief to receive a place at the table with his active duty counterparts. I am submitting Senator STEVENS' remarks for the RECORD and I encourage my colleagues to take a moment and review his thoughtful comments.

The remarks follow:

REMARKS OF SENATOR TED STEVENS

Thank you for the recognition and honor you confer on me today.

The Harry S. Truman Award, unlike any other, reflects the input of leaders from the 54 association chapters from every corner of America.

There is no organization with whom I have worked more closely than the National Guard Association during my 17 years as chairman or ranking member of the Senate Defense Appropriations Subcommittee.

This award reflects the tutelage I received from a previous recipient of this honor, my close friend and mentor, John Stennis.

The insight and wisdom of my great friend, compounded by my own experience working with the Alaska National Guard, founded my belief that the Guard serves as an essential pillar of our national security.

Over the years, we have worked to modernize during the buildup led by President Reagan in the 1980's, and now realign force structure during the 1990's.

Our efforts reflect a determination to fulfill the vision of our Nation's Founding Fathers—that our national defense be maintained and preserved by citizen soldiers—by all Americans.

The National Guard, and the National Guard Association of the United States, are the embodiment of that guiding principle in our Constitution.

Your conference here in Albuquerque serves to refresh, and reforge, our mutual

commitment to ensure the National Guard grows in capability and stature within our national security establishment.

While the Guard faces some tough trials in the weeks and months ahead, there is genuine reason for optimism that our efforts will succeed.

A major factor contributing to this optimism is the bipartisan budget agreement, negotiated by my good friend, Senator PETE DOMENICI, who is with us here today.

This compact should give us 5 years of stability in defense funding—we've not enjoyed these circumstances since the early 1980's.

With predictable spending levels, Secretary Bill Cohen and the Joint Chiefs may plan and implement force realignment and modernization plans.

Our job now is to assure Guard participation in the allocation of resources and to modernize the force as we enter the 21st century.

You have many real friends to turn to in this effort.

We've just heard from one of our most important friends, Joe Ralston.

You don't need to hear from me how Joe feels about the National Guard. Just ask Ed Baca, Jake Lestenkof, or Hugh Cox.

Secretary Cohen knows first hand what the Guard means to all our States, and is a genuine ally in the Senate on Guard issues—he listens with a sympathetic ear. You'll hear from General Reimer tomorrow. You'll find him a true friend also.

Your job, and mine, is to help these friends effectively advocate the Guard's interests and priorities.

Now, more than ever before, the National Guard must function as a total partner in the total force. We cannot permit the National Guard to struggle for resources—it needs the total support of the Army and Air Force.

The Army and Air Force can only achieve their missions—our National Security missions—with the total participation and support of the National Guard. It's a two-way street, and our system simply won't work any other way.

Recent missions in Bosnia, Southwest Asia, Haiti, and Korea make apparent this axiom.

Each of you knows the extraordinary service performed by Air and Army National Guard units overseas. On my own visits to these forces, every CINC has extolled the performance, readiness, and dedication of the National Guard Forces assigned to their commands. That is the success story of our total force.

While undertaking these military missions, the National Guard continues to serve its State role. Everyone of us here understands the unique status the Guard holds as an arm or our State governments. Whether responding to natural disasters, or managing the youth challenge program performing so successfully, the National Guard serves our communities every day.

To ensure the representation of the National Guard at the highest levels of DOD, I authored an amendment sponsored by 48 other Senators. This legislation would change the rank, and role, of the Chief of the National Guard Bureau. That amendment passed the Senate without any objection, and awaits final resolution on the Defense authorization bill.

We succeeded in passing this legislation in large part because of the work of the Guard, the association, and the adjutants general.

The expanded role of the Guard, and its relative size within the military, should be reflected in an appropriate rank for the chief. Resolution of this issue must include a voice—and a seat at the table—for the National Guard, when the Secretary and the Joint Chiefs make force structure and resource decisions that impact the Guard.

The details of my suggestion are yet to be resolved. Our goal is to assure that the National Guard leader is equal in rank and capability to the members of the Joint Chiefs.

Achieving this priority is only meaningful if we improve and build on relations between the Army, the National Guard, and the Army Reserve.

This initiative is meant to build bridges, and expand the dialog and understanding by Pentagon leaders of the Guard's needs and capabilities.

If by doing so, we burn bridges behind us, we will achieve little in the end. We must achieve change—change that all parties can live with, and will commit to work together to achieve.

We continue to need your support and active involvement—you will make the difference in the end. You and your force meet more Americans every day than all other military forces put together. You need to support adequate funding levels for all defense activities, including the Coast Guard.

You need to tell the chamber of commerce, the Rotary, the Lions, the Kiwanis Clubs, and the PTA's what America needs is a ready defense force. You are part of that force.

Again, let me thank you for honoring me today with the Truman Award. I am humbled by your recognition of my efforts.

I will continue to be your partner, and advocate, in the years to come.•

COMMEMORATION OF LAWSUIT ABUSE AWARENESS WEEK

• Mr. ROCKEFELLER. Mr. President, today I recognize a growing group of concerned citizens in West Virginia working to educate the public about their concerns over the costs of what they refer to as "lawsuit abuse."

In many areas of West Virginia, local supporters of Citizens Against Lawsuit Abuse have given their time on a volunteer basis to speak out about an issue that has statewide and national implications. The costs of lawsuits can include higher costs for consumer products, higher medical expenses, higher taxes, and fewer jobs, due to lost business expansion and forgone product development. At the same time, the legal system must provide avenues for recourse and justice. Together, leaders and citizens must try to achieve consensus in ensuring that our system is balanced and fair to all.

Citizens Against Lawsuit Abuse has a straightforward goal. They want to help the public prevent unnecessary lawsuits.

When West Virginians see a problem, we work to make people aware of it, and we try to make it right. CALA members are citizens who believe they see harm to our society brought on by certain unnecessary lawsuits and excessive awards that can cripple a small business or strip an individual of his or her life savings. CALA supporters emphasize that they want to make sure that persons with a real need for the civil justice system have access to the courts. Public opinion surveys in our state have shown that a majority of responsible citizens want their legal system to be more fair, more effective, and more sensible, to serve everyone's interests.

These nonprofit CALA groups have raised local funds to run educational media announcements and are speaking to local organizations and citizen groups across the State to raise public awareness of the issue that they call "lawsuit abuse."

Supporters of CALA also encourage that citizens do their part by serving on juries when they are called. To help encourage the youth of West Virginia to become responsible citizens when they reach adulthood, CALA groups have offered scholarship grants to students through an essay contest on the subject of importance of jury service.

While the local groups have thousands of supporters, there are few individuals who should be recognized for their ongoing leadership and for dedicating countless volunteer hours in the past year. These individuals are Cuz Blake of Bridgeport, chairman and founding member of CALA of Northern West Virginia, and Robert Mauk of Huntington, chairman and founding member of CALA of Southern West Virginia. Many others have given their time and energy to these public watchdog groups as well, persons such as Sid Davis of Charleston who, despite having to take time off recently for health reasons, has returned to his volunteer position as an officer of CALA of Southern West Virginia.

Citizens Against Lawsuit Abuse groups have declared September 21 through September 27, 1997, to be Lawsuit Abuse Awareness Week in West Virginia. I commend all of the individuals who are involved in Citizens Against Lawsuit Abuse for their involvement in civic affairs and their efforts to promote constructive action in a policy area they care about.

As someone who has been a leader for a balanced, responsible form of product

liability reform, I continue to hope for the kind of education, dialogue, and consensus-building clearly needed to address problems in our legal system that hurt consumers, victims, and the private sector. I encourage CALA to continue raising these issues and promoting solutions that ensure justice and improve the legal system. West Virginia and the country as a whole need informed, educated, and dedicated citizens to help elected officials address serious issues and achieve proper reforms when necessary.•

RIGHT TO LIFE OF MICHIGAN

• Mr. ABRAHAM. Mr. President, I rise today to honor those of Right to Life of Livingston County, Inc. and Right to Life of Michigan for their enduring commitment and dedication to one of today's most important social issues.

Mr. President, to those of us who are pro-life, being pro-life means protecting our families and respecting the sanctity of life. It also means maintaining the central role of the family in all our lives. I would like to take this opportunity to thank those of Right to Life of Michigan for their perseverance in support of those goals. Unfortunately, we still must spend much of our time in the political sphere, arguing against laws that promote the taking of unborn human lives, and I am grateful for all their efforts in that area as well.

Ending the tragedy of abortion will not be easy. But groups like Right to Life of Livingston County, National Right to Life of Michigan, and the National Right to Life Committee, are fighting a winning battle. By their example, as well as their arguments, they are showing the power and the beauty of human life.•

• Mr. WYDEN. Mr. President, retinal degenerative diseases affect more than six million Americans. This number is expected to climb beyond 10 million as the baby boomers age. This is a vision timebomb and I have witnessed its devastating impact on many of our senior citizens. September 27, 1997 marks World Retina Day, a day in which organizations around the world dedicated to finding the cures for retinal degenerative diseases join together to call attention to the collaborative research that is being done internationally.

The most common retinal disease is age-related macular degeneration (AMD) which is the leading cause of vision loss in adults over the age of 60. Individuals with AMD not only lose their central vision, but also their ability to read, drive and in many cases they lose their sense of independence. Retinitis Pigmentosa (RP) is a genetic disease that steals the sight of the young, robbing them in the prime of their life, their night vision and then their peripheral vision. RP is a progressive disease, leading in most cases to blindness. There is no treatment to stop the progression of this disease. Usher's Syndrome is also a genetic disease and it is the leading cause of deaf-blindness in the United States. This again shows up in our young, robbing them of vision and hearing. The suffering to the patients and their families is incalculable.

Due to the work funded by the National Eye Institute at the National Institute of Health, and organizations such as the Foundation Fighting Blindness and similar organizations worldwide, significant progress in research has been made. Just this past week a stunning research breakthrough was announced. Scientists have discovered gene mutations that cause AMD. This landmark finding offers the first concrete evidence that AMD is genetically linked. There is now hope that by the time the generation of the baby boomers reaches age 60, in about 10 years, that there will be a genetic treatment for AMD. If a treatment is found, we will see a return on our investments in eye research, and the savings to the budget in terms of health care costs will be significant.

With the international collaboration among researchers who represent a broad spectrum of highly specialized scientific disciplines, great strides have been made in understanding AMD, RP, Usher's syndrome and related retinal degenerative diseases. International breakthroughs and collaboration in research warrant the recognition of World Retina Day. I am hopeful that there is a cure in sight. I believe that as we continue to fund medical research, diseases such as these will become eradicated and remembered only in the archives of medical history.•

TRIBUTE TO SOUTHWEST MISSOURI STATE UNIVERSITY

• Mr. BOND. Mr. President, I stand before you today to pay tribute to a truly outstanding University in my home State of Missouri, Southwest Missouri State University (SMSU). SMSU was one of 135 schools in 42 states selected to the John Templeton Foundation Honor Roll, "a designation recognizing colleges and universities that emphasize character building as an integral part of the college experience."

Being the only public institution in Missouri to earn the 1997–98 Honor Roll distinction, SMSU is also one of the eight state-funded schools to receive the award nationwide. Schools competing for the Honor Roll were judged on five criteria and out of 2,208 four-year accredited undergraduate institutions only the top few were chosen. One of the categories where SMSU stood out was in community service. During the 1996–97 school year the SMSU campus, including the faculty and students, volunteered more than 69,500 hours.

It is an honor for the entire State of Missouri to have a University like SMSU, whose service and character-building programs have earned it this distinguished award. I commend SMSU's President, Dr. John Kaiser, for his commitment to excellence and hope for continued success in the future.•

JUDGE ROBERT AND HELENE BRANG GOLDEN ANNIVERSARY

• Mr. ABRAHAM. Mr. President, I rise today to congratulate Judge Robert and Helene Brang on the occasion of their Golden Wedding Anniversary. A long and successful marriage is truly a cause for celebration, well worthy of recognition by the United States Senate. Their commitment to each other and their family is commendable and a great contribution to the tradition of strong American families.

Robert Francis Brang and Helene Marie Foley met at the University of Detroit while both were students. Helene was a reporter for the Varsity News and Bob was the President of the Student Union. They met on the steps of the Commerce and Finance Building when Helene approached him for an interview.

They were married at St. Scholastica's Catholic Church in Detroit on October 4, 1947. In 1956, Robert and Helene moved their growing family from their home in Detroit to Redford Township where they reside to this day. Bob practiced law and Helene reared 8 wonderful children. In 1968, Bob was elected a Judge for the 17th District Court and retained that position until his retirement.

Mr. President, on October 4, Robert and Helene will have celebrated fifty years together. Their children—Kathleen, Robert, Mary, William, Barry, Stephen, Daniel, and Patrick—along with their twelve grandchildren—Diana, Laura, Rob, Patrick, Amy, Beth, Adam, Kellie, Sarah, Kaitlyn, Dakota, and Austin—will join with them in celebration.

Martin Luther once wrote: "There is no more lovely, friendly and charming relationship, communion or company than a good marriage." Robert and Helene are blessed to enjoy such a strong and enduring bond. On behalf of the United States Senate, I wish them a happy anniversary and many more years of joy.•

ESTUARY HABITAT RESTORATION PARTNERSHIP ACT OF 1997

• Mr. CHAFEE. Mr. President, yesterday I introduced S. 1222. I ask that the text of the bill be printed in the RECORD.

The text of the bill follows:

S. 1222

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Estuary Habitat Restoration Partnership Act of 1997".

SEC. 2. FINDINGS.

Congress finds that—

(1) the estuaries and coastal regions of the United States are home to half the population of the United States;

(2) the traditions, economy, and quality of life of many communities depend on the natural abundance and health of the estuaries;

(3) approximately 75 percent of the commercial fish and shellfish of the United States depend on estuaries at some stage in their life cycle;

(4) the varied habitats of estuaries and other coastal waters provide jobs to 28,000,000 United States citizens in commercial and sport fishing, tourism, recreation, and other industries, with fishing alone contributing $111,000,000,000 to the United States economy each year;

(5) despite the many values of estuaries, estuaries are gravely threatened by estuary habitat alteration and loss;

(6) the accumulated loss of estuary habitat, reaching over 90 percent in some estuaries, threatens the ecological and economic bounty of regions experiencing the loss, and can be reversed only by action to restore lost and degraded estuary habitat;

(7) the demands on Federal, State, and local funding for estuary habitat restoration activities exceed available resources and prompt serious concerns about the ability of the United States to restore estuary habitat vital to efforts to restore, preserve, and protect the health of estuaries;

(8) successful restoration of estuaries demands the full coordination of Federal and State estuary habitat restoration programs;

(9) to succeed in restoring estuaries, it is important to link estuary habitat restoration projects to broader ecosystem planning in order to establish restoration programs that are effective in the long term;

(10) efficient leveraging of scarce public resources and new and innovative market-based funding for estuary habitat restoration activities would generate real returns on investments for communities through improvement of the vibrancy and health of estuaries;

(11) the Federal, State, and private cooperation in estuary habitat restoration activities in existence on the date of enactment of this Act should be strengthened and new public and public-private estuary habitat restoration partnerships established; and

(12) such new partnerships would help ensure the ecological and economic vibrancy of estuaries for the benefit of future generations.

SEC. 3. PURPOSES.

The purposes of this Act are—

(1) to establish a voluntary, community-driven, incentive-based program that will catalyze the restoration of 1,000,000 acres of estuary habitat by 2010;

(2) to encourage enhanced coordination and leveraging of Federal, State, and community estuary habitat restoration programs, plans, and studies;

(3) to establish effective estuary habitat restoration partnerships among public agencies at all levels of government and between the public and private sectors;

(4) to promote efficient financing of estuary habitat restoration activities to help better leverage limited Federal funding; and

(5) to develop and enhance monitoring and maintenance capabilities designed to ensure that restoration efforts build on the successes of past and current efforts and scientific understanding.

SEC. 4. DEFINITIONS.

In this Act:

(1) COLLABORATIVE COUNCIL.—The term "Collaborative Council" means the interagency council established by section 5.

(2) DEGRADED ESTUARY HABITAT.—The term "degraded estuary habitat" means estuary habitat where natural ecological functions have been impaired and normal beneficial uses have been reduced.

(3) ESTUARY.—The term "estuary" means—

(A) a body of water in which fresh water from a river or stream meets and mixes with salt water from the ocean; and

(B) the physical, biological, and chemical elements associated with such a body of water.

(4) ESTUARY HABITAT.—

(A) IN GENERAL.—The term "estuary habitat" means the complex of physical and hydrologic features and living organisms within estuaries and associated ecosystems.

(B) INCLUSIONS.—The term "estuary habitat" includes salt and fresh water coastal marshes, coastal forested wetlands and other coastal wetlands, tidal flats, natural shoreline areas, shellfish beds, sea grass meadows, kelp beds, river deltas, and river and stream banks under tidal influence.

(5) ESTUARY HABITAT RESTORATION ACTIVITY.—

(A) IN GENERAL.—The term "estuary habitat restoration activity" means an activity that results in improving degraded estuary habitat (including both physical and functional restoration), with the goal of attaining a self-sustaining, ecologically based system integrated into the surrounding landscape.

(B) INCLUDED ACTIVITIES.—The term "estuary habitat restoration activity" includes—

(i) the reestablishment of physical features and biological and hydrologic functions;

(ii) except as provided in subparagraph (C)(ii), the cleanup of contamination;

(iii) the control of nonnative and invasive species;

(iv) the reintroduction of native or ecologically beneficial species through planting or natural succession; and

(v) other activities that improve estuary habitat.

(C) EXCLUDED ACTIVITIES.—The term "estuary habitat restoration activity" does not include—

(i) an act that constitutes mitigation for the adverse effects of an activity regulated or otherwise governed by Federal or State law; or

(ii) an act that constitutes satisfaction of liability for natural resource damages under any Federal or State law.

(6) ESTUARY HABITAT RESTORATION PROJECT.—The term "estuary habitat restoration project" means an estuary habitat restoration activity under consideration or selected by the Collaborative Council, in accordance with this Act, to receive financial, technical, or another form of assistance.

(7) ESTUARY HABITAT RESTORATION STRATEGY.—The term "estuary habitat restoration strategy" means the estuary habitat restoration strategy developed under section 6(a).

(8) FEDERAL ESTUARY MANAGEMENT OR HABITAT RESTORATION PLAN.—The term "Federal estuary management or habitat restoration plan" means any Federal plan for restoration of degraded estuary habitat that—

(A) was developed by a public body with the substantial participation of appropriate public and private stakeholders; and

(B) reflects a community-based planning process.

(9) PERSON.—The term "person" includes an entity of a Federal, State, or local government, an Indian tribe, an entity organized or existing under the law of a State, and a nongovernmental organization.

(10) SECRETARY.—The term "Secretary" means the Secretary of the Army, or a designee.

(11) UNDER SECRETARY.—The term "Under Secretary" means the Under Secretary for Oceans and Atmosphere of the Department of Commerce, or a designee.

SEC. 5. ESTABLISHMENT OF COLLABORATIVE COUNCIL.

(a) COLLABORATIVE COUNCIL.—There is established an interagency council to be known as the "Estuary Habitat Restoration Collaborative Council".

(b) MEMBERSHIP.—The Collaborative Council shall be composed of the Secretary, the Under Secretary, the Administrator of the Environmental Protection Agency, the Secretary of the Interior (acting through the Director of the United States Fish and Wildlife Service), the Secretary of Agriculture, and the Secretary of Transportation, or their designees.

(c) CONVENING OF COLLABORATIVE COUNCIL.—The Secretary shall—

(1) convene the first meeting of the Collaborative Council not later than 30 days after the date of enactment of this Act; and

(2) convene additional meetings as often as appropriate to ensure that this Act is fully carried out, but not less often than quarterly.

(d) COLLABORATIVE COUNCIL PROCEDURES.—

(1) QUORUM.—Three members of the Collaborative Council shall constitute a quorum.

(2) VOTING AND MEETING PROCEDURES.—The Collaborative Council shall establish procedures for voting and the conduct of meetings by the Council.

SEC. 6. DUTIES OF COLLABORATIVE COUNCIL.

(a) ESTUARY HABITAT RESTORATION STRATEGY.—

(1) IN GENERAL.—

(A) DEVELOPMENT.—Not later than 1 year after the date of enactment of this Act, the Collaborative Council, in consultation with representatives from coastal States and nonprofit organizations with expertise in estuary habitat restoration, shall develop an estuary habitat restoration strategy designed to ensure a comprehensive approach to the selection and prioritization of estuary habitat restoration projects and the full coordination of Federal and non-Federal activities related to restoration of estuary habitat.

(B) PROVISION OF NATIONAL FRAMEWORK.—The estuary habitat restoration strategy shall provide a national framework for estuary habitat restoration activities by—

(i) identifying existing estuary habitat restoration plans;

(ii) integrating overlapping estuary habitat restoration plans; and

(iii) identifying appropriate processes for the development of estuary habitat restoration plans where needed.

(2) INTEGRATION OF PREVIOUSLY AUTHORIZED ESTUARY HABITAT RESTORATION PLANS, PROGRAMS, AND PARTNERSHIPS.—In developing the estuary habitat restoration strategy, the Collaborative Council shall—

(A) conduct a review of—

(i) Federal estuary management or habitat restoration plans; and

(ii) Federal programs established under other law that provide funding for estuary habitat restoration activities;

(B) develop, based on best management practices, a framework for fully coordinating and streamlining the activities of the Federal plans and programs referred to in subparagraph (A);

(C) develop a set of proposals for—

(i) using programs established under this or any other Act to maximize the incentives for the creation of new public-private partnerships to carry out estuary habitat restoration projects; and

(ii) leveraging Federal resources to encourage increased private sector involvement in estuary habitat restoration activities; and

(D) ensure that the estuary habitat restoration strategy is developed and will be implemented in a manner that is consistent with the findings and requirements of Federal estuary management or habitat restoration plans.

(3) ELEMENTS TO BE CONSIDERED.—Consistent with the requirements of this section, the Collaborative Council, in the development of the estuary habitat restoration strategy, shall consider—

(A) the contributions of estuary habitat to—

(i) wildlife, including endangered and threatened species, migratory birds, and resident species of an estuary watershed;

(ii) fish and shellfish, including commercial and sport fisheries;

(iii) surface and ground water quality and quantity, and flood control;

(iv) outdoor recreation; and

(v) other areas of concern that the Collaborative Council determines to be appropriate for consideration;

(B) the estimated historic losses, estimated current rate of loss, and extent of the threat of future loss or degradation of each type of estuary habitat;

(C) the most appropriate method for selecting estuary habitat restoration projects essential to—

(i) the proper protection and preservation of an estuary ecosystem;

(ii) the implementation of a Federal estuary management or habitat restoration plan; or

(iii) the selection by the Collaborative Council of an appropriate balance of smaller and larger estuary habitat restoration projects; and

(D) procedures to minimize duplicative and conflicting application requirements for public and private landowners seeking assistance for estuary habitat restoration activities.

(4) COMMUNITY ADVICE.—The Collaborative Council shall seek the advice of experts in restoration of estuary habitat from the private, including nonprofit, sectors to assist in the development of an estuary habitat restoration strategy.

(5) PUBLIC REVIEW AND COMMENT.—Before adopting a final estuary habitat restoration strategy, the Collaborative Council shall publish in the Federal Register a draft of the estuary habitat restoration strategy and provide an opportunity for public review and comment.

(b) ESTABLISHMENT OF PROJECT APPLICATION AND SELECTION CRITERIA.—

(1) IN GENERAL.—Consistent with the other provisions of this section, the Collaborative Council shall establish—

(A) application procedures to be followed by States and other non-Federal persons to nominate estuary habitat restoration activities for consideration by the Collaborative Council for assistance under this Act;

(B) criteria for determining eligibility for financial assistance under this Act for an estuary habitat restoration project;

(C) application procedures and criteria for granting a reduction in the minimum non-Federal share requirement, in accordance with section 7(d)(2); and

(D) such other criteria as the Collaborative Council determines to be reasonable and necessary in carrying out this Act.

(2) PROPOSALS.—A proposal for an estuary habitat restoration project shall originate from a non-Federal person and shall require, when appropriate, the approval of State or local agencies.

(3) FACTORS TO BE TAKEN INTO ACCOUNT.—The criteria established under paragraph (1) shall provide for the consideration of the following factors in determining the eligibility of an estuary habitat restoration project for financial assistance under this Act and in prioritizing the selection of estuary habitat restoration projects by the Collaborative Council:

(A) Whether the proposed estuary habitat restoration project meets the criteria specified in the estuary habitat restoration strategy.

(B) The technical merit and feasibility of the proposed estuary habitat restoration project.

(C) Whether the non-Federal persons proposing the estuary habitat restoration project can provide satisfactory assurances that they will have adequate personnel, funding, and authority to carry out and properly maintain the estuary habitat restoration project.

(D) Whether, in the State in which a proposed estuary habitat restoration project is to be carried out, there is a State dedicated source of funding for programs to acquire or restore estuary habitat, natural areas, and open spaces.

(E) Whether the proposed estuary habitat restoration project will encourage the increased coordination and cooperation of Federal, State, and local Government agencies.

(F) The level of private matching fund or in-kind contributions to the estuary habitat restoration project.

(G) Whether the proposed habitat restoration project includes a monitoring plan to ensure that short-term and long-term restoration goals are achieved.

(H) Other factors that the Collaborative Council determines to be reasonable and necessary for consideration.

(4) PRIORITY ESTUARY HABITAT RESTORATION PROJECTS.—

(A) DESIGNATION.—The Collaborative Council may designate an estuary habitat restoration project as a priority estuary habitat restoration project if, in addition to meeting the selection criteria specified in this section—

(i) the estuary habitat restoration project addresses a restoration goal identified in the estuary habitat restoration strategy;

(ii) the estuary habitat restoration project is part of an approved Federal estuary management or habitat restoration plan;

(iii) the non-Federal share with respect to the estuary habitat restoration project exceeds 50 percent; or

(iv) there is a nonpoint source program upstream of the estuary habitat restoration project that addresses upstream sources that would otherwise re-impair the restored habitat.

(B) EFFECT OF DESIGNATION.—A priority estuary habitat restoration project shall be given a higher priority in receipt of funding under this Act.

(c) INTERIM ACTIONS.—

(1) IN GENERAL.—Pending completion of the estuary habitat restoration strategy developed under subsection (a), the Collaborative Council may pay the Federal share of the cost of an interim action to carry out an estuary habitat restoration activity.

(2) FEDERAL SHARE.—The Federal share shall not exceed 25 percent.

(d) COOPERATION OF NON-FEDERAL PARTNERS.—

(1) IN GENERAL.—The Collaborative Council shall not select an estuary habitat restoration project until each non-Federal interest has entered into a written cooperation agreement in accordance with section 221(a) of the Flood Control Act of 1970 (42 U.S.C. 1962d-5b(a)).

(2) MAINTENANCE AND MONITORING.—A cooperation agreement entered into under paragraph (1) shall provide for maintenance and monitoring of the estuary habitat restoration project to the extent determined necessary by the Collaborative Council.

(e) LEAD COLLABORATIVE COUNCIL MEMBER.—The Collaborative Council shall designate a lead Collaborative Council member for each proposed estuary habitat restoration project. The lead Collaborative Council member shall have primary responsibility for overseeing and assisting others in implementing the proposed project.

(f) AGENCY CONSULTATION AND COORDINATION.—

(1) IN GENERAL.—In carrying out this section, the Collaborative Council shall consult with, cooperate with, and coordinate its activities with the activities of other appropriate Federal agencies, as determined by the Collaborative Council.

(2) USE OF COORDINATING MECHANISMS.—The Collaborative Council shall work to ensure that Federal agency coordinating and streamlining mechanisms established under other law are fully used in cases in which the Collaborative Council determines the use of the mechanisms to be appropriate.

(g) BENEFITS AND COSTS OF ESTUARY HABITAT RESTORATION PROJECTS.—The Collaborative Council shall evaluate the benefits and costs of estuary habitat restoration projects in accordance with section 907 of the Water Resources Development Act of 1986 (33 U.S.C. 2284).

(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Department of the Army for the administration and operation of the Collaborative Council $4,000,000 for each fiscal year.

SEC. 7. COST SHARING OF ESTUARY HABITAT RESTORATION PROJECTS.

(a) IN GENERAL.—No financial assistance in carrying out an estuary habitat restoration project shall be available under this Act from any Federal agency unless the non-Federal applicant for assistance demonstrates to the satisfaction of the Collaborative Council that the estuary habitat restoration project meets—

(1) the requirements of this Act; and

(2) any criteria established by the Collaborative Council under this Act.

(b) FEDERAL SHARE.—

(1) IN GENERAL.—Except as provided in paragraph (2), for each fiscal year, the Federal share of the cost of an estuary habitat restoration project assisted under this Act shall be not less than 25 percent and not more than 65 percent.

(2) INCREASED FEDERAL SHARE.—In the case of an estuary habitat restoration project with respect to which the applicant demonstrates need under subsection (d)(2), the Federal share of the cost of the project shall not exceed 75 percent.

(c) PAYMENT OF FEDERAL SHARE UNDER OTHER LAW.—The Collaborative Council may

use funds made available under this Act to pay all or part of the Federal share of the cost of an estuary habitat restoration activity eligible for funding under a program established under another provision of law, if the activity would also be eligible for funding under this Act as an estuary habitat restoration project.

(d) NON-FEDERAL SHARE.—

(1) IN-KIND CONTRIBUTIONS.—The non-Federal share of the cost of an estuary habitat restoration project may be provided in the form of land, easements, rights-of-way, services, or any other form of in-kind contribution determined by the Collaborative Council to be an appropriate contribution equivalent to the monetary amount required for the non-Federal share of the estuary habitat restoration project.

(2) REDUCED NON-FEDERAL SHARE.—An applicant for assistance in carrying out an estuary habitat restoration project may submit an application for a reduction in the requirement of the payment of a non-Federal share of at least 35 percent, if the applicant submits a statement of need and demonstrates a need for a reduced non-Federal share in accordance with section 103(m) of the Water Resources Development Act of 1986 (33 U.S.C. 2213(m)).

(e) ALLOCATION OF FUNDS BY STATES TO POLITICAL SUBDIVISIONS.—With the approval of the Secretary, a State may allocate to any local government, area wide agency designated under section 204 of the Demonstration Cities and Metropolitan Development Act of 1966 (42 U.S.C. 3334), regional agency, or interstate agency, a portion of any funds disbursed by the Collaborative Council to the State for the purpose of carrying out an estuary habitat restoration project.

SEC. 8. MONITORING AND MAINTENANCE OF ESTUARY HABITAT RESTORATION PROJECTS.

(a) DATABASE OF RESTORATION PROJECT INFORMATION.—The Under Secretary shall maintain an appropriate database of information concerning estuary habitat restoration projects funded by the Collaborative Council, including information on project techniques, project completion, monitoring data, and other relevant information.

(b) REPORT.—

(1) IN GENERAL.—The Collaborative Council shall biennially submit a report to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives on the results of activities carried out under this Act.

(2) CONTENTS OF REPORT.—A report under paragraph (1) shall include—

(A) data on the number of acres of estuary habitat restored under this Act, including the number of projects approved and completed that comprise those acres;

(B) the percentage of restored estuary habitat monitored under a plan to ensure that short-term and long-term restoration goals are achieved;

(C) an estimate of the long-term success of varying restoration techniques used in carrying out estuary habitat restoration projects;

(D) a review of how the Collaborative Council has incorporated the information described in subparagraphs (A) through (C) in the selection and implementation of estuary habitat restoration projects;

(E) a review of efforts made by the Collaborative Council to maintain an appropriate database of restoration projects funded under this Act; and

(F) a review of the measures that the Collaborative Council has taken to provide the information described in subparagraphs (A) through (C) to persons with responsibility for assisting in the restoration of estuary habitat.

SEC. 9. MEMORANDA OF UNDERSTANDING.

In carrying out this Act, the Collaborative Council may—

(1) enter into cooperative agreements with persons; and

(2) execute such memoranda of understanding as are necessary to reflect the agreements.

SEC. 10. DISTRIBUTION OF APPROPRIATIONS FOR ESTUARY HABITAT RESTORATION ACTIVITIES.

The Secretary shall allocate funds made available to carry out this Act based on the need for the funds and such other factors as the Collaborative Council determines to be appropriate to carry out this Act.

SEC. 11. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATIONS OF APPROPRIATIONS UNDER OTHER LAW.—Funds authorized to be appropriated under section 908 of the Water Resources Development Act of 1986 (33 U.S.C. 2285) and section 206 of the Water Resources Development Act of 1996 (33 U.S.C. 2330) may be used by the Secretary in accordance with this Act to assist States and other non-Federal persons in carrying out estuary habitat restoration projects or interim actions under section 6(c).

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out this Act—

(1) $40,000,000 for fiscal year 1999;

(2) $50,000,000 for fiscal year 2000; and

(3) $75,000,000 for each of fiscal years 2001 through 2003.

SEC. 12. GENERAL PROVISIONS.

(a) ADDITIONAL AUTHORITY FOR ARMY CORPS OF ENGINEERS.—The Secretary—

(1) may carry out estuary habitat restoration projects as determined by the Collaborative Council; and

(2) shall give estuary habitat restoration projects the same consideration (as determined by the Collaborative Council) as projects relating to irrigation, navigation, or flood control.

(b) INAPPLICABILITY OF CERTAIN LAW.—Sections 203, 204, and 205 of the Water Resources Development Act of 1986 (33 U.S.C. 2231, 2232, 2233) shall not apply to an estuary habitat restoration project selected in accordance with this Act.

(c) ESTUARY HABITAT RESTORATION MISSION.—The Secretary shall establish restoration of estuary habitat as a primary mission of the Army Corps of Engineers.

(d) FEDERAL AGENCY FACILITIES AND PERSONNEL.—

(1) IN GENERAL.—Federal agencies may cooperate in carrying out scientific and other programs necessary to carry out this Act, and may provide facilities and personnel, for the purpose of assisting the Collaborative Council in carrying out its duties under this Act.

(2) REIMBURSEMENT FROM COLLABORATIVE COUNCIL.—Federal agencies may accept reimbursement from the Collaborative Council for providing services, facilities, and personnel under paragraph (1).

(e) COLLABORATIVE COUNCIL ADMINISTRATIVE EXPENSES AND STAFFING.—Not later than 180 days after the date of enactment of this Act, the Comptroller General of the United States shall submit to Congress and the Secretary an analysis of the extent to which the Collaborative Council needs additional personnel and administrative resources to fully carry out its duties under this Act. The analysis shall include recommendations regarding necessary additional funding.

(f) APPLICATION OF AND CONSISTENCY WITH OTHER LAWS.—Except as specifically provided in this Act—

(1) nothing in this Act supersedes or modifies any Federal law in existence on the date of enactment of this Act; and

(2) each action by a Federal agency under this Act shall be carried out in a manner that is consistent with such law.●

ORDERS FOR MONDAY, SEPTEMBER 29, 1997

Mr. MCCONNELL. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 12 noon on Monday, September 29. I further ask that on Monday, immediately following the prayer, the routine requests through the morning hour be granted and the Senate immediately resume S. 25, the campaign finance reform bill.

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

PROGRAM

Mr. MCCONNELL. Mr. President, on Monday, the Senate will resume the pending campaign finance reform bill. As a reminder to all Senators, no votes will occur during Monday's session of the Senate. The next vote will be at 11 a.m. on Tuesday, September 30, on the motion to invoke cloture on the Coats amendment concerning scholarships to the District of Columbia appropriations bill. Also during Tuesday's session of the Senate, the Senate will consider the continuing resolution. Therefore, votes will occur throughout the day on Tuesday.

ORDER FOR ADJOURNMENT

Mr. MCCONNELL. If there is no further business to come before the Senate, I now ask the Senate stand in adjournment under the previous order, following the remarks of Senator DORGAN.

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

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

BIPARTISAN CAMPAIGN REFORM ACT OF 1997

The Senate continued with the consideration of the bill.

Mr. DORGAN. Mr. President, this is truly what is called getting the last word, as I understand the unanimous consent agreement is for the adjourning of the Senate following my presentation.

I regret I was delayed. I wanted to be here to be involved in the back-and-forth discussion on campaign finance

reform. Nonetheless, I am able to offer a few comments about some of the discussion we have had in the last few hours on this important issue.

It is important for everybody to understand that we are talking now about campaign finance reform, and we ought not take a victory lap by virtue of the fact that it is on the floor of the Senate. We are at the starting line, not the finish line. The starting line was to scratch and fight and prod to try to get campaign finance reform to the floor because a whole lot of people didn't want us to talk about it or to consider it.

Well, it is here, and now we are going to have some votes. I am going to offer amendments, some others will offer amendments, and we will see how people feel about reforming our campaign finance system in this country.

Much of the discussion in the last couple of hours has been by those who say they have constitutional objections to the McCain-Feingold bill, for example, and/or other proposals; that they somehow would violate the Constitution. Earlier in the week, 126 legal scholars weighed in saying, "Nonsense, this wouldn't violate the Constitution at all." In response to the scholars, one of my colleagues said, "Well, I suppose we could get 126 people who would tell us the Earth is flat." I imagine you could, but not constitutional scholars.

The issue here is people who understand the Constitution, people who study the Constitution, weighing in on this question of whether the proposals to change our system of campaign financing runs afoul of the Constitution. The answer, clearly, at least by 126 constitutional scholars is no, that's a bogus issue.

Mr. President, this issue of campaign finance reform is a critically important issue. I have served in public office for some long while, and I am proud to serve in public office. I am one of those who believes public service is important. I wake up in the morning and feel privileged to be able to serve in the U.S. Senate. I come to work enjoying my job. I have a thirst for public issues and public debate and a contest of ideas. I think this is an honorable profession. I enjoy serving here. I want to do the things to advance public policy in a way that gives the American people some confidence that those of us who serve here serve the public interest.

I want to tell a story briefly about the campaign I waged for the U.S. Senate, having served for some terms in the U.S. House of Representatives. I was better known than my opponent because I was an incumbent Congressman, although my opponent had run in statewide races previously. Nonetheless, we both were endorsed by our respective political conventions to run for the U.S. Senate.

So I called for something in public debate with my opponent that I thought was unique, unusual, and something that had never been done before in this country in a Senate campaign. I said to my opponent, Why don't you and I engage in a campaign that is the most unique and unusual that has been waged in modern times? Here's my proposition. I'm better known than you are because I've served in Congress and have run statewide a good number of times. I accept that. I will be better known than you are when we start this race. I propose this: I propose that I will not run any television commercials, no radio advertisements, no commercials of any kind during the entire campaign. You commit to do the same thing, and then what we do is we pool our money and we buy 8 hours of prime-time television on the stations that serve in North Dakota, and each week for 1 hour, we show up at a television station and have it simulcast across the stations in North Dakota; we show up with no assistants, no aides, no handlers, no notes, no research materials, just the two of us, and no moderator, and for 1 hour a week prime time that we pay for, we tell North Dakotans why we want to serve in the U.S. Senate and the kind of ideas that we have for the future of our State in this country; we debate the issues of the day, one on one, an hour a week prime time for 8 weeks leading up to the election.

At the end of 8 weeks, having an hour debate every week, prime time simulcast on all the stations, everyone in North Dakota would know who he is, how he feels about issues, how he reacts in response to a public debate about issues, and they would know who I am and how I respond to the same thing.

My opponent chose not to accept that challenge. So the result was we had a traditional campaign: He ran 30-second advertisements, the little slash-and-burn 30-second explosion that goes off in our minds that contribute nothing to the public knowledge. It is part of the air pollution in this country that happens every election year, that on television and on the radio, we hear these 30-second and 1-minute explosions that contribute nothing to the political dialog in America. So that is what happened in my Senate race.

I regret that was the case because we could have had a Senate race that would have hearkened back to the old days in which, without the 30-second slash-and-burn advertisements, we would have had live, prime-time debates without notes, without handlers, without moderators, just talking about what we believed was necessary to do to assure a better future for this country and for our children.

Election contests should, after all, be a contest of ideas, but it is not that these days. I have run in 10 statewide elections in North Dakota—10 of them. So I know something about statewide campaigns. They are not any longer contests of ideas. They are an opportunity for handlers and aides and gurus and assistants and pollsters and media advisers to put together these little explosions and put them on television, attempting to mischaracterize some other position or some other candidate.

Often, the television commercial that is paid for by a candidate has no explanation except a little line that no one can see on the bottom that the candidate is even sponsoring it. I have made some suggestions on how we should address that issue, just as an example, and I am going to offer it as an amendment and we will have a chance to vote on it in the Senate. Some will not like it. I don't know if it will prevail.

Here is what I think we should do. We, by law, say television stations are to provide what we call the lowest card rate for political advertising during certain political periods during campaigns. If you are running political campaigns and buying political time, you get the lowest rate on the rate card and you are guaranteed that by law. I am going to offer an amendment that I think will change the culture of these 30-second little slash-and-burn commercials that have become the trademark of American campaigns. Mine will be very simple. The only commercials in political advertising that will qualify for the lowest rate or lowest cost will be those that are at least 1 minute in length and on which the candidate appears on the commercial 75 percent of the time. If those two conditions are not met, they don't buy at the bottom of the rate card.

It costs them much, much more. Let us at least, if we are going to have a law that requires cutrate advertising prices, be afforded campaigns, as now exists in law, let us at least allow that to provide an incentive for the right kind of public discussion. No one who is thinking, in my judgment, can believe the right kind of public discourse in this country these days is the little 30-second pollution out there on television and radio that contributes nothing to public dialog; it simply attempts to cut down the other candidate and demean the other candidate, having nothing to do with the issues.

Am I suggesting those who run for public office ought to be free of public scrutiny and free of public criticism? Not at all, but we ought to provide some incentives in which the public gets a decent debate about public issues in our campaigns. So we will have an opportunity to vote on my amendment during this discussion.

I come to the floor of the Senate as a supporter of the McCain-Feingold legislation. Would I have written it differently? Yes, I think so. There are some things I would have changed substantially, but I have great admiration for Senator MCCAIN and Senator FEINGOLD and for the persistence with

which they bring this legislation to the floor of the Senate. They believe the current system of financing campaigns is broken and something ought to be done. There are some in the Senate who believe that things are just fine, let's just keep going just the way we are going, things are just terrific, and they don't want anybody to do anything to change what is now happening.

There is an old saying that the water "ain't" going to clear up until you get the hogs out of the creek. The only way we are going to clear up the water of campaign financing in this country is for those of us who believe that we need to change the method by which we finance campaigns in this country is if we are able to beat back, by voting on the Senate floor, the attempts of those who want to stall, once again, our ability to change this system.

Mr. President, I want to show a chart that describes better than all the words I can use what is wrong with our campaign financing system.

This is money in politics, an explosion of money in politics, spending on all congressional races, 1976 to 1996. And you say, "What's happening to this line?" Money in politics.

I wonder if when George Washington and Mason and Madison and Ben Franklin sat in that little room in Philadelphia and talked about what kind of a constitution they should create for this country, I wonder if they thought that we would get to this kind of situation where a representative democracy would see the election of those representatives part and parcel of a system in which there is an explosion of money and elections all too often become auctions rather than elections. I do not think so.

I do not think this represents the best of democracy. I do not think it represents something that we can be proud of, as those of us who participate. I think we ought to change it.

So the question for me and some others in this Chamber is not whether we address this issue and make some changes, the question is, What kind of changes should we make? The McCain-Feingold bill comes to the floor of the Senate—as I have indicated, I am a cosponsor but I might have written parts of it differently.

As I understand it, the specific McCain-Feingold proposal that is brought to the floor of the Senate now does not contain some of the central portions that I think are necessary in really making progress in reforming our campaign financing system.

For example, we have to, in my judgment, have expenditure limits on campaigns in order to be effective. There is too much money in politics. If we do not put spending limits on campaigns, then we are not going to solve the problem. I understand that the spending limits which were in the McCain-Feingold bill, which were voluntary spending limits, have been removed and we will now have to try to put them back in by amendment.

So the question for the Senate is going to be, Can we attach individual spending limits, State by State, to campaigns and enforce them in some way in this piece of legislation?

Originally, the legislation had what are called voluntary spending limits which had incentives in order to get people to say, "Yes, we'll accept spending limits." And the incentives persuading them to accept spending limits would then impose limits on the campaigns.

It is interesting, the Supreme Court in a case called Buckley versus Valeo ruled by a 5–4 decision that we cannot have spending limits that are enforceable in campaigns. I would like to see the Supreme Court revisit that issue, the 5–4 decision. Everybody has a right to be wrong. When the Supreme Court is wrong, of course, it is the law of the land.

The Supreme Court, in my judgment, was fundamentally wrong here. We really ought to have the Supreme Court review this once again—and I think we reach a different result. But, nonetheless, the result we now have in Buckley versus Valeo says that you cannot have enforceable spending limits. So the attempt has been to provide what are called voluntary spending limits and sufficient incentives in law that would persuade people to abide by and adopt those spending limits.

I think in the coming days it is going to be clear, with respect to the debate in the Senate, the difference between the two groups. I am not talking about Democrats and Republicans; I am talking about two groups of people. There is one group that says, "Look, things are fine. What do you mean, there's too much money in politics? Too much money spent on Rolaids or Kleenex," they will say. "Gee, we don't have enough money in politics."

There is another group that said, "Wait a second." I mean, it does not take glasses to see what is going on here. What has happened is an avalanche of money is thrown into this political system, and it is corrupting the system. If we cannot have some spending limits someplace, if we cannot, as a group, decide there is too much money in politics, if we cannot decide that this red line going nearly straight up represents the corrosive influence of money in politics, then we are not going to succeed. Yes, we got the bill to the floor of the Senate, but we will not succeed in solving the campaign finance problem that exists in this country.

So we will see now in the coming weeks, I suppose the coming 2 weeks, perhaps, when this is finally complete. There is a group that says, "Gee, things are terrific. Let's leave things the way they are. We like money. In fact, the more the merrier." They don't say it, but I think they are kind of concocting a golden rule—he who has the gold, rules. The fact is that we have one group that has twice as much as the other group, so they want the rules to admire that and suggest that that is just fine.

I suppose you can make the case that those who do not have as much money would like to put limits on those who do. But you know, the American people are eventually going to rule the day here. The American people are going to make the decision through their representatives here in Congress and through public pressure to say either, "Yes, we think this is great. We think this flood of money coming into politics is a wonderful thing. It really nurtures our political system," or the American people will likely say, as all the polls tell us, by 70 and 80 percent, "This doesn't make any sense at all. This avalanche of money is hurting our political system."

We have what is called "hard money" and "soft money" and contributions on this side and that side. I imagine that people have difficulty understanding "hard money" and "soft money." The easy way to understand it, for example, is soft money is the legal form of cheating—cheating, yes—because no one anticipated, with current campaign laws, that the kind of money that is now used called "soft money" would be, could be, or should ever be used for purposes it is now being employed to achieve; that is, millions, tens of millions of dollars, yes, by both political parties, tens of millions of dollars thrown into what is called party building. But it is not party building. These are moneys that are spent in a way designed to influence individual elections and designed carefully in ways to avoid it appearing like they are direct expenditures under regulation of the Federal Election Commission.

The corrosive part of the soft money issue is that is money that can be thrown in—it can be by a corporation, labor organization, rich individuals, you name it—it can be thrown into a race under the guise of not part of the hard money contribution, but it can affect that race in a dramatic way. The source of the money is never revealed—secret money out there, never revealed. And you can move the money around three, four different ways to different organizations, and the source of the money is never revealed—half a million dollars here, a million dollars there.

You know who the victims have been of that? We can name some of the victims who at the end of their campaigns, thinking it was them versus another candidate in a contest of ideas in their State, found out it was not that. Yes, that was part of it. Then there are organizations, unnamed and newly named organizations, off to the side,

running in with saddlebags full of soft money, the source of which no one would ever disclose, putting advertisements on television, negative, corrosive, ugly advertisements in order to knock one of the candidates out of the race.

That is what this political system has become. If we do not fix it, if we do not address that, shame on us. The American people know it is wrong, and we ought to know it is wrong.

So the question ought not be for anybody in this Chamber whether we address this issue in a thoughtful way and pass some legislation finally to reform the campaign finance system; the question ought to be, how? How do we do it? We have a couple weeks in which this Senate can express its judgment on that issue.

I have great respect for every other Member of this Senate. There are some who stand here today and say they are very concerned about this aspect or that aspect. I have great respect for them. I am not going to suggest they have impure motives. But I am saying that in the strongest possible ways, if they believe that what we ought to do is nothing, if they believe the current system of financing campaigns in this country is good for this country, then they are dreadfully wrong. So we will see in the next couple of weeks.

I just mentioned soft money and independent expenditures. There is another category called issue advertising which is tied in with the same sort of thing—issue advertising.

Let me read from an article out of Rollcall.

> While presidential, Senate, and House candidates spent a record $400 million on TV ads last year, more than two dozen organizations dumped an additional $150 million into controversial issue advertising in the 1995–96 cycle . . .

And guess what? What kind of advertising was this? Eighty-one percent of it was negative advertising; 81 percent negative advertising. That is the air pollution in this country that we ought to worry about. We ought to do something about it.

I am not suggesting it is inappropriate to have issue advertising. But we ought to make it all accountable. If you are going to come in and play a role in these campaigns, then tell the American people where you got your money, whose money is it you are spending, and what is the purpose of the expenditure.

Mr. President, we have had a lengthy discussion today and the discussion will go on, I assume, for about 2 weeks, and it will be between those who believe we ought to have reform and those who don't.

Speaker GINGRICH calls for more, not less, campaign cash, in an article in the Washington Post. He represents a group who believe that money is not a problem—we probably need more money in politics, not less. I absolutely disagree with him.

In another article, "Group launches effort against campaign finance reform bill." Some very large influential groups in this country who are deeply involved in issue advertising of the type I just described don't want campaign finance reform. I guess I can understand why, but I think they are wrong.

Mr. President, 45 members of my caucus signed a piece of legislation saying they are prepared to vote for McCain-Feingold; four in the other caucus said the same thing. If we can get a vote, up or down, we are looking for one or two additional Members of the Senate who will decide whether we pass this legislation.

There are those, I suppose, who will say, "We need more time." We have had 6,700 pages of hearings, 3,361 floor speeches—and we can add today's to that, all of this on the issue of campaign finance reform—446 legislative proposals, and 113 votes in the Senate. I don't know of anyone who can credibly say we need more time.

What we need is the nerve and the will to do what is right. I hope we might see that kind of nerve and will in the next couple of weeks.

FAST-TRACK LEGISLATION

Mr. DORGAN. Mr. President, I have been so tempted today, I wanted very much to come and speak about fast track, which the President is asking with respect to trade authority, and I was intending to do that at a time when it was appropriate today, but because of the debate on campaign finance reform time was not available for that. I thought about doing it at the end of my remarks on campaign finance reform, but I know that there are those who want to do other things and there is some sort of dispatch for the Senate to adjourn. I will respect that. But I want to say about two paragraphs as I conclude.

I hope to come back on Monday and find some time to discuss President Clinton's proposal to provide fast-track trade authority so he can negotiate additional trade agreements. I am opposed to that, and I am going to resist vigorously trade authority that would provide the President, any President, the opportunity to negotiate new trade agreements until we fix the problems in the old agreement.

Let me leave with a couple of statistics. We now have a pretty good economy, that is true. We tackled the fiscal policy budget deficit. But the other deficit, the trade deficit, is the highest in this country's history.

Every time we negotiate a new trade agreement we seem to lose. We negotiated an agreement with Canada. Our deficit was $13 billion with Canada; now it is double. We negotiated a trade agreement with Mexico. We had a $2 billion surplus; now after the trade agreement we have a $14 billion deficit. We have a $50 to $60 billion trade deficit with Japan, a $40 to $50 billion trade deficit with China. We are up to our neck in trade problems and cannot resolve virtually any of those problems because our trade treaties, first of all, were negotiated inappropriately to provide the kind of sanctions they ought to for those that don't open their markets to American goods. And second, we don't enforce trade treaties that other countries have signed with us.

I want to speak at some great length, I hope on Monday, on this subject. I am not speaking on trade because I am what is called a protectionist, xenophobe, or isolationist. I believe in trade. I believe in free trade. I demand fair trade, and I believe we ought to expand our trade opportunities. But I believe this country ought to, for a change, stand up for its own economic interests and demand that manufacturing and jobs and opportunity exist in this country's future and not trade away those opportunities so that corporations can access dime-an-hour labor by 14-year-old kids working 14 hours a day to ship products to Fargo, ND, or Pittsburgh. That is not free trade. I will talk at some length on Monday about that.

I yield the floor.

ADJOURNMENT UNTIL MONDAY, SEPTEMBER 29, 1997

The PRESIDING OFFICER. Under a previous order, the Senate stands in adjournment until 12 noon, Monday, September 29, 1997.

Thereupon, the Senate, at 3:45 p.m., adjourned until Monday, September 29, 1997, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate September 26, 1997:

EXECUTIVE OFFICE OF THE PRESIDENT

ARTHUR BIENENSTOCK, OF CALIFORNIA, TO BE AN ASSOCIATE DIRECTOR OF THE OFFICE OF SCIENCE AND TECHNOLOGY POLICY, VICE ERNEST J. MONIZ.

COMMODITY FUTURES TRADING COMMISSION

JOSEPH B. DIAL, OF TEXAS, TO BE A COMMISSIONER OF THE COMMODITY FUTURES TRADING COMMISSION FOR THE TERM EXPIRING JUNE 19, 2001. (REAPPOINTMENT)

NATIONAL TRANSPORTATION SAFETY BOARD

JAMES E. HALL, OF TENNESSEE, TO BE A MEMBER OF THE NATIONAL TRANSPORTATION SAFETY BOARD FOR A TERM EXPIRING DECEMBER 31, 2002. (REAPPOINTMENT)

DEPARTMENT OF VETERANS AFFAIRS

ALPHONSO MALDON, JR., OF VIRGINIA, TO BE DEPUTY SECRETARY OF VETERANS AFFAIRS, VICE HERSHEL WAYNE GOBER.

CONFIRMATIONS

Executive nominations confirmed by the Senate September 26, 1997:

INTER-AMERICAN FOUNDATION

JEFFREY DAVIDOW, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-

COUNSELOR, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE INTER-AMERICAN FOUNDATION, FOR A TERM EXPIRING SEPTEMBER 20, 2002.

DEPARTMENT OF COMMERCE

ROBERT L. MALLETT, OF TEXAS, TO BE DEPUTY SECRETARY OF COMMERCE.

W. SCOTT GOULD, OF THE DISTRICT OF COLUMBIA, TO BE CHIEF FINANCIAL OFFICER, DEPARTMENT OF COMMERCE.

W. SCOTT GOULD, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT SECRETARY OF COMMERCE.

INTER-AMERICAN FOUNDATION

NANCY DORN, OF THE DISTRICT OF COLUMBIA, TO BE MEMBER OF THE BOARD OF DIRECTORS OF THE INTER-AMERICAN FOUNDATION FOR A TERM EXPIRING JUNE 26, 2002.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

THE JUDICIARY

MARJORIE O. RENDELL, OF PENNSYLVANIA, TO BE U.S. CIRCUIT JUDGE FOR THE THIRD CIRCUIT.

RICHARD A. LAZZARA, OF FLORIDA, TO BE U.S. DISTRICT JUDGE FOR THE MIDDLE DISTRICT OF FLORIDA.

IN THE ARMY

THE FOLLOWING U.S. ARMY RESERVE OFFICER FOR PROMOTION IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTIONS 14101, 14315 AND 12203(A):

To be brigadier general

COL. JAMES W. COMSTOCK, X...

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE REGULAR ARMY TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTION 624:

To be brigadier general

COL. ANTONIO M. TAGUBA, X...

THE FOLLOWING-NAMED OFFICERS FOR APPOINTMENT IN THE U.S. ARMY TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTION 624:

To be major general

BRIG. GEN. JOHN G. MEYER, JR., X...
BRIG. GEN. ROBERT L. NABORS, X...

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. ARMY TO THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 624:

To be major general

MAJ. GEN. ROBERT G. CLAYPOOL, X...

THE FOLLOWING ARMY NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTION 12203:

To be major general

BRIG. GEN. EARL L. ADAMS, X...
BRIG. GEN. JOHN E. BLAIR, X...
BRIG. GEN. JAMES G. BLANEY, X...
BRIG. GEN. DON C. MORROW, X...
BRIG. GEN. THOMAS E. WHITECOTTON III, X...
BRIG. GEN. JACKIE D. WOOD, X...

To be brigadier general

COL. STEPHEN E. AREY, X...
COL. GEORGE A. BUSKIRK, JR., X...
COL. WILLIAM A. CUGNO, X...
COL. JOSEPH A. GOODE, JR., X...
COL. STANLEY J. GORDON, X...
COL. LARRY W. HALTOM, X...
COL. DANIEL E. LONG, JR., X...
COL. GERALD P. MINETTI, X...
COL. RONALD G. YOUNG, X...

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CONGRESS, SECTION 601:

To be lieutenant general

LT. GEN. GEORGE A. FISHER, X...

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CONGRESS, SECTION 601:

To be lieutenant general

MAJ. GEN. WILLIAM J. BOLT, X...

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. ARMY TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CONGRESS, SECTION 624:

To be brigadier general

COL. HENRY W. STRATMAN, X...

IN THE MARINE CORPS

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. MARINE CORPS TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CONGRESS, SECTION 601:

To be lieutenant general

LT. GEN. PETER PACE, X...

IN THE NAVY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. NAVY TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CONGRESS, SECTION 624:

To be rear admiral

REAR ADM. (IH) LOUIS M. SMITH, X...

THE FOLLOWING-NAMED OFFICERS FOR APPOINTMENT IN THE NAVAL RESERVE TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CONGRESS, SECTION 12203:

To be rear admiral (lower half)

CAPT. KENNETH C. BELISLE, X...
CAPT. JOHN G. COTTON, X...
CAPT. STEPHEN S. ISRAEL, X...
CAPT. GERALD J. SCOTT, JR., X...
CAPT. JOE S. THOMPSON, X...

THE FOLLOWING-NAMED OFFICERS FOR APPOINTMENT IN THE RESERVE OF THE NAVY TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CONGRESS, SECTION 12203:

To be rear admiral (lower half)

CAPT. HOWARD W. DAWSON, JR., X...
CAPT. WILLIAM J. LYNCH, X...
CAPT. ROBERT R. PERCY III, X...

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT AS DEPUTY JUDGE ADVOCATE GENERAL OF THE U.S. NAVY IN THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CONGRESS, SECTION 5149:

To be rear admiral

CAPT. DONALD J. GUTER, X...

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. NAVY TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CONGRESS, SECTION 624:

To be rear admiral (lower half)

CAPT. WILLIAM W. COBB, JR., X...

IN THE AIR FORCE

AIR FORCE NOMINATIONS BEGINNING RICHARD W. ALDRICH, AND ENDING FRANK A. YERKES, JR., WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF JULY 29, 1997.

AIR FORCE NOMINATIONS BEGINNING LUIS C. ARROYO, AND ENDING MICHAEL R. EMERSON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF JULY 31, 1997.

AIR FORCE NOMINATIONS BEGINNING JAMES M. BARTLETT, AND ENDING *ELLIS D. DINSMORE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF JULY 31, 1997.

AIR FORCE NOMINATION OF ROBERT J. SPERMO, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 3, 1997.

AIR FORCE NOMINATIONS BEGINNING *CARL M. GOUGH, AND ENDING SAMUEL STRAUSS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 3, 1997.

AIR FORCE NOMINATIONS BEGINNING JOSEPH ARGYLE, AND ENDING MICHAEL D. ELLER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 3, 1997.

AIR FORCE NOMINATIONS BEGINNING ARNOLD K. *ABANGAN, AND ENDING DARREN L. ZWOLINSKI, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 3, 1997.

IN THE ARMY

ARMY NOMINATION OF FRANK G. WHITEHEAD, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF JULY 31, 1997.

ARMY NOMINATIONS BEGINNING MARY A. ALLRED, AND ENDING JAMES R. TINKHAM, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF JULY 31, 1997.

ARMY NOMINATIONS BEGINNING ROBERT C. BAKER, AND ENDING JAMES R. WOOTEN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF JULY 31, 1997.

ARMY NOMINATIONS BEGINNING EDWIN E. *AHL, AND ENDING MARK A. *ZERGER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF JULY 31, 1997.

ARMY NOMINATIONS BEGINNING CHRISTIAN F. ACHLEITHNER, AND ENDING DANIEL A. *ZELESKI, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF JULY 31, 1997.

ARMY NOMINATION OF SHRI KANT MISHRA, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 3, 1997.

ARMY NOMINATION OF DAVID S. FEIGIN, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 3, 1997.

ARMY NOMINATION OF CLYDE A. MOORE, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 3, 1997.

ARMY NOMINATIONS BEGINNING TERRY A. WIKSTROM, AND ENDING RICHARD C. BUTLER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 3, 1997.

ARMY NOMINATION OF JAMES H. WILSON, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 3, 1997.

ARMY NOMINATIONS BEGINNING ELLIS E. BRUMRAUGH, JR., AND ENDING JOHN C. ZIMMERMAN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 3, 1997.

ARMY NOMINATIONS BEGINNING GRATEN D. BEAVERS, AND ENDING JOHN E. ZUPKO, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 3, 1997.

ARMY NOMINATIONS BEGINNING JAMES L. *ATKINS, AND ENDING SCOTT WILKINSON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 3, 1997.

ARMY NOMINATIONS BEGINNING FRANK J. ABBOTT, AND ENDING X X..., WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 3, 1997.

ARMY NOMINATIONS BEGINNING MADELFIA A. *ABB, AND ENDING *X X..., WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 3, 1997.

ARMY NOMINATION OF RAFAEL LARA, JR., WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 15, 1997.

ARMY NOMINATIONS BEGINNING MORRIS F. ADAMS, JR., AND ENDING GEORGE W. WILSON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 15, 1997.

ARMY NOMINATIONS BEGINNING CYNTHIA A. ABBOTT, AND ENDING ANTHONY W. YOUNG, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 15, 1997.

IN THE COAST GUARD

COAST GUARD NOMINATIONS BEGINNING MICHAEL F. HOLMES, AND ENDING BEVERLY G. KELLEY, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 3, 1997.

COAST GUARD NOMINATIONS BEGINNING STEPHEN E. FLYNN, AND ENDING VINCENT WILCZYNSKI, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 15, 1997.

COAST GUARD NOMINATIONS BEGINNING FRANK M. PASKEWICH, AND ENDING ROBERT M. PYLE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 15, 1997.

COAST GUARD NOMINATIONS BEGINNING STEVEN C. ACOSTA, AND ENDING MARC A. ZLOMEK, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 18, 1997.

IN THE MARINE CORPS

MARINE CORPS NOMINATION OF FRANKLIN D. MCKINNEY, JR., WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF JULY 29, 1997.

MARINE CORPS NOMINATION OF WILLIAM C. JOHNSON, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 3, 1997.

MARINE CORPS NOMINATION OF TONY WECKERLING, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 3, 1997.

MARINE CORPS NOMINATION OF JEFFREY E. LISTER, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 3, 1997.

MARINE CORPS NOMINATION OF HARRY DAVIS, JR., WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 3, 1997.

MARINE CORPS NOMINATION OF MICHAEL D. DAHL, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 3, 1997.

MARINE CORPS NOMINATION OF JAMES C. CLARK, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 3, 1997.

MARINE CORPS NOMINATION OF JOHN C. KOTRUCH, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 15, 1997.

IN THE NAVY

NAVY NOMINATIONS BEGINNING LAWRENCE E. ADLER, AND ENDING THOMAS A. ZIMMERMAN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 3, 1997.

NAVY NOMINATIONS BEGINNING DAVID M. BELT, JR., AND ENDING GENE P. THERIOT, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 15, 1997.

NAVY NOMINATIONS BEGINNING EUGENE M. ABLER, AND ENDING ERIC A. ZOEHRER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 15, 1997.

IN THE PUBLIC HEALTH SERVICE

PUBLIC HEALTH SERVICE NOMINATIONS BEGINNING JENNIFER L. BETTS, AND ENDING REBECCA J. WERNER.

WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 4, 1997.

PUBLIC HEALTH SERVICE NOMINATIONS BEGINNING WILLIAM E. HALPERIN, AND ENDING TRINH K. NGUYEN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 12, 1997.

EXTENSIONS OF REMARKS

WHAT AMERICANS THINK ABOUT FAST TRACK AND NAFTA EXPANSION

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 26, 1997

Mr. LIPINSKI. Mr. Speaker, it may surprise some of my colleagues that the majority of Americans believe labor and environmental issues should be negotiated as part of trade agreements. In fact, this isn't a majority of 51 percent, 55 percent, or even 60 percent. It is a vast majority of 73 percent. Seventy-three percent of Americans believe that protecting the environment and protecting labor rights should be integral part of trade agreements.

I completely agree.

Apparently, the administration does not. Unfortunately, the administration's fast-track proposal does not reflect the feelings of the vast majority of Americans. The administration's proposal falls far short. To be truthful, it's even a step backward from fast-track proposals under Reagan and Bush. Under the administration's proposal, the President would be forbidden from including labor, environmental, and other standards of the same enforceable, core nature as now are provided for the protection of intellectual property or investors' rights. The proposal isn't a bridge to the 21st century—it's slide back to the 19th century. There truly seems to be a disconnect with the administration and the American people.

In my opinion, and that of the vast majority of Americans, fast-track legislation must include enforceable labor and environmental provisions. To do anything less would be shortchanging working families acrosss our country. It would further compromise our environment, the safety of our foods, the wages of American workers, and our overall quality of life.

Where's the evidence? Well, we have 3 years' worth of evidence from NAFTA. It has been 3 years since this broken trade agreement went into effect, and the evidence is clear that NAFTA has failed for the American working man and woman. Our modest trade surplus with Mexico has ballooned into a huge deficit. We've lost hundred of thousands of jobs. Moreover, the evidence shows that the much ballyhooed labor and environmental side agreements in NAFTA are hugely ineffective. In the United States employers used NAFTA as a tool to fight unions and keep wages down. Companies effectively intimidate workers and stymie union organizing efforts by threatening to move jobs to Mexico. And the health of working families are threatened by increased industrial and toxic emissions and waste along the United States-Mexico border.

NAFTA failed because it failed to protect workers' rights and the environment. It deeply concerns me that NAFTA protects intellectual property rights and investors' rights while it turns a blind eye to workers and the environment. There are more protections for compact discs and Wall Street financial investors than there are for the Smith family next door and our rivers and streams.

We've seen what happens with a trade agreement that does not include adequate labor and environmental protections, and it certainly isn't pretty. Let us learn from it.

Mr. Speaker, I strongly urge my colleagues to carefully evaluate these vitally important trade issues in the coming weeks. I strongly urge my colleagues to carefully evaluate the impact of NAFTA expansions and fast-track legislation on American workers and American families. Let's listen to the American people.

CONGRATULATIONS TO THE INDIANA STATE LEAGUE OF UNITED LATIN AMERICAN CITIZENS

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 26, 1997

Mr. VISCLOSKY. Mr. Speaker, it is my distinct honor to congratulate the Indiana State League of United Latin American Citizens [LULAC] as it hosts a reception in honor of LULAC national president, Belen Robles, tonight, September 26, 1997, at the Empress Casino in Hammond, IN. I would also like to take this opportunity to congratulate Indiana LULAC State officers, Maria Pizana, Vicki Lipiniskis, Terry Serna, Andrew Martinez, Amelia Velez, and Louise Martinez, for the leadership they have displayed in organizing this special event. This marks the first time the Indiana State LULAC has honored a National LULAC President.

Founded in 1929 in Corpus Christi, TX, LULAC was established to protect the constitutional rights and freedoms of Hispanic-Americans. Over the years, LULAC has improved the social and economic status of Hispanics through its activism in the areas of equal justice, housing, employment, and education. By 1954, LULAC had earned recognition for winning two landmark civil rights cases, which served to integrate the Orange County, CA school system, and secure jury duty rights for Mexican-Americans in Texas. Since that time, LULAC has worked hard to achieve full access to the political process for all Hispanics, as well as equal educational opportunity for Hispanic children. LULAC councils across the Nation work toward this goal by holding voter registration drives and citizen awareness sessions, sponsoring health fairs and tutorial programs, and raising scholarship money for the LULAC national scholarship fund. In addition, LULAC's activism has expanded to include the areas of language and cultural rights. In response to a recent increase in anti-Hispanic sentiment, LULAC councils have fought back by holding seminars and public symposiums on language and immigration issues. The Nation's oldest and largest national Hispanic civil rights organization, LULAC continues to be a strong voice in the struggle for equal opportunity for Hispanic-Americans.

The Indiana State LULAC has faithfully worked to fulfill the National LULAC mission through a strong commitment to community and education. The Indiana LULAC emphasizes the protection of civil and human rights for Hispanic citizens and immigrants, and it strives to achieve this goal by educating the Hispanic community. Extremely youth oriented, Indiana LULAC hosts annual career days and college fairs, provides numerous educational workshops and seminars for students, and offers several leadership training opportunities to students. In addition, Indiana LULAC continues to award scholarships to academic achievers throughout the State and, to date, has awarded over $200,000 in college scholarships. In the future, the Indiana State LULAC aspires to open a LULAC National Education Center, which would provide counseling and tutorial services, scholarships, and low-interest loans to help Hispanic students attend college.

Belen Robels, the first female LULAC national president, has brought a new vision to LULAC. Belen, who works for the U.S. Customs Service, strives to structure LULAC more like a business in order to bring about a greater continuity within the organization. As a result, she has developed a 5-year strategic plan, which will establish a full-time national executive director for LULAC's Washington, DC office. In addition, LULAC is embarking on a membership campaign with the ambitious goal of increasing its current membership of 110,000 to 1 million members. As a law enforcement officer, Belen is knowledgeable about immigration issues, and she uses this knowledge to ensure that Hispanics will receive protection under current immigration law. In addition to her work with LULAC, Belen Robels is on the board of the El Paso Hispanic Chamber of Commerce, vice-chair of the National Hispanic Leadership Agenda, and she serves on the Federal Better Relations with Mexico Committee. In 1967, Belen Robles received a bronze Chamizal Medallion from President Lyndon Johnson in recognition of her efforts in the Cabinet-level hearings on Mexican-American affairs in El Paso, TX.

Mr. Speaker, I ask you and my other distinguished colleagues to join me in commending the national and State of Indiana LULAC organizations for their tremendous efforts in uniting Hispanic-Americans. All involved in the success of these organizations should be proud of their efforts in working toward equality for Hispanic-Americans.

HEROES KNOW HEROES

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 26, 1997

Mr. GILMAN. Mr. Speaker, on August 5, 1997, in Bogota, Colombia, our outstanding DEA Administrator, Tom Constantine, a fellow New Yorker, attended a memorial service for the officers of the Colombian National Police [CNP], who have given their lives in the struggle against illicit drugs.

Our own courageous and outstanding DEA has also suffered loses in this dangerous battle, although not nearly as many as the thousands of men and women of CNP. These men and women in law enforcement, whether here or in Latin America, died for the sake of our kids, our future generations, our democratic institutions, and way of life.

Not long ago in Peru, five dedicated young DEA agents gave their lives in a plane crash in the mountains of Peru during pursuit of a drug trafficker. For those officers and those of the CNP the war on drugs was no cliche.

Administrator Constantine had important words last month to say to the men and women of CNP, who are led by outstanding men like Gen. Jose Serrano, and the chief of their elite antidrug unit, the DANTI, Col. Leonardo Gallego, both of whom visited with Members of the House here in the Capitol just last week.

A few excerpts from Mr. Constantine's remarks underscore the heroes we have in our own DEA, recognize other heroes when they see and work with them. Mr. Constantine said: "We gather today to praise an organization of heroes—the Colombian National Police—men and women whose courage and sacrifice have contributed so much to Colombia—and to the rest of the world. * * * You are a beacon of hope to the law enforcement agencies around the world faced with the danger and destruction caused by ruthless drug-trafficking syndicates."

Mr. Speaker, I ask that the full text of our DEA Administrator's remarks at the CNP police memorial follow in the RECORD. The powerful statement will help my colleagues appreciate the human dimension in the struggle against illicit drugs, and especially the impact it has on the men and women we put on the front lines to wage this war. In many ways, only those who have carried a badge and gun can know the real meaning of loyalty and devotion that fellow police officers have to each other—whether here or abroad—in our war on drugs, which is real for them, each and every day.

NATIONAL HISTORICALLY BLACK COLLEGES AND UNIVERSITIES WEEK

HON. MAX SANDLIN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 26, 1997

Mr. SANDLIN. Mr. Speaker, I rise today to commemorate the legacy and future of historically black colleges and universities [HBCU] during National Historically Black Colleges and Universities Week.

HBCU's were founded to eliminate the disparity of educational opportunities for minorities in the United States. In our struggle to offer the ideal of an equal education for all Americans, HBCU's have played a critical role to enrich and inspire postsecondary education for African-Americans, low income, and educationally disadvantaged Americans. For many generations from slavery to segregation, HBCU's were the only institutions in which minorities could receive a postsecondary education. HBCU's offer a welcoming and nurturing environment for students while providing quality education and the skills needed for success. I am fortunate to have two HBCU's in my district—Wiley College and Jarvis Christian College.

Wiley College, located in my hometown of Marshall, TX, has been an educational, spiritual, cultural, and economic anchor for the community since 1873. The college encourages students to strive for academic excellence through its Honor Track Program. In addition, the college offers several adult and continuing education programs and community service programs to assist in the students' overall development.

Jarvis Christian College, another faith-oriented institution, has maintained its mission of educating African-Americans with head, heart, and hand together since 1912. This college has produced three of its presidents, and has several alliances with universities and businesses to encourage further education and job placement opportunities for its students. For instance, the college's biomedical science program, in partnership with Meharry Medical College, is designed to encourage and better prepare minority students to enter medicine, dentistry, and other health professions.

Continuing the legacy of their founders, HBCU's today offer minorities choice and diversity in educational opportunities; cultural, financial, and social support; and serve as the backbone for community revitalization and development. For many African-Americans and others, HBCU's have created and enhanced opportunities for leadership and citizenship through their mentor and support programs. Today, HBCU's award almost 30 percent of all bachelor degrees awarded to African-Americans in the United States.

HBCU's also reach out to high school students through the Upward Bound Program. Upward Bound, which is part of the outreach programs at both Wiley College and Jarvis Christian College, encourages African-American high school students to pursue a college degree. The Upward Bound Program offers high school students tutoring in various subjects, academic counseling, and career guidance. Specifically, this program serves many counties in east Texas, including but not limited to, Camp, Gregg, Harrison, Morris, Smith, Upsher, and Wood.

Through creative means, HBCU's also address the needs of the community by continually addressing historic preservation and the economic and housing needs of communities. Wiley College has taken the old segregated high school for African-Americans and has developed it into a community center that serves youth and seniors of all races. Next year, Wiley will continue this development by adding a wellness center for the community.

In recent years, there has been much debate concerning the relevance of HBCU's and Federal funding of these institutions. I believe the importance of HBCU's can be seen in their mentor programs for youth; the lawyers, doctors, teachers, architects, and civic leaders they have produced; the community service and historic preservation programs that are parts of their agenda; and economic and housing development that are so important to growth and fairness in our society. Yet the relevance of historically black colleges and universities truly lies in the evidence of things not seen. I congratulate HBCU's on the momentous work they have done, and wish them continued success in the future.

IN HONOR OF CLAIRE F. MORGENSTERN

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, September 26, 1997

Mr. KUCINICH. Mr. Speaker, I rise today to honor Claire Morgenstern, who will receive an award this week for outstanding contributions to the Greater Cleveland community from International Services Center [ISC] in Cleveland, OH.

International Services Center is an agency that assists refugees, immigrants, and other newcomers to the United States to overcome social and economic barriers and adjust to a new culture and way of life. The organization is honoring four individuals this year for their exceptional work on intercultural and interracial issues. These individuals have been chosen because of their commitment to the community and their lifelong achievements which reflect the spirit and the mission of ISC.

Claire Morgenstern is a past president and lifetime trustee of ISC and has spent many years as an active proponent of various charitable and community causes. It is the dedication of people like Ms. Morgenstern that makes the difference in the life of neighborhoods and communities.

Ms. Morgenstern graduated from the University of Wisconsin and has pursued graduate studies at Case Western Reserve University. She is a dedicated community leader and for many years has demonstrated tremendously effective work in numerous organizations including United Way Services, the Cleveland International Program, the Epilepsy Foundation, Call for Action, the Temple Tifereth Israel, and Piano International. She served as president of ISC from 1988–90, leading the organization through a critical time of transition.

Ms. Morgenstern has encouraged and supported innovation and growth. She was one of the founders and the first chairwoman of the annual International Holiday Folk Festival in Cleveland. She continues to be one of the festival's greatest supporters as it has grown in stature and popularity. The festival not only provides a needed source of revenue for ISC, it is a major cultural event in the Greater Cleveland area fostering intercultural and interracial harmony.

My fellow colleagues, please join me in congratulating Claire Morgenstern, devoted grandmother, mother, wife, and dedicated community leader, on a lifetime of wonderful work for the multicultural community in the Greater Cleveland area.

COMMEMORATING THE 1972 NATIONAL BLACK POLITICAL CONVENTION'S 25TH ANNIVERSARY CELEBRATION

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 26, 1997

Mr. VISCLOSKY. Mr. Speaker, it is my great pleasure to commend the 1972 National Black Political Convention's 25th Anniversary celebration. This event will take place tomorrow, September 27, 1997, at the Genesis Convention Center in Gary, IN.

With great vision and dedication, the citizens of Gary, IN successfully hosted the First Black Political Convention 25 years ago. In 1972, 10,000 African-Americans trailblazed their way to Gary to bring together mainstream political leaders, labor officials, and ordinary people to forge a landmark and milestone in our country's struggle for economic justice and fair share of political power.

In 1972, there were 300 African-Americans elected to public office, nationwide; today, there are 7,000 in Federal, State, and local office. In 1972, there were 12 Members of Congress, and in 1997 there are 40 African-Americans in the U.S. Congress. The issues facing African-Americans today are different now than in 1972. The conference this weekend signals the shift from marches to the political arena, to using the political arena as the most effective avenue of opportunity.

In 1972, the convention agenda focused on political and economic empowerment, human development, international policy, communications, rural development, environmental protection, and self-determination. Twenty-five years later, some of the original organizers, including then Gary Mayor Richard Hatcher, are bringing together many of the same players for an anniversary celebration. U.S. Representative MAXINE WATERS of California, chairwoman of the Congressional Black Caucus, will speak at the Genesis Center tomorrow evening. Many social conditions continue to place African-Americans at a disadvantage in finding employment and adequate housing. As a result, the public is being asked to join in the celebration for a weekend of solidarity and discussion, which will focus on striving to eliminate the burdens plaguing African-Americans.

A host of the Nation's most respected academic and political activists, including Dick Gregory, Dr. Ron Walters, Ron Daniels, U.S. Representative DANNY K. DAVIS, and Dr. Ron Karenga, have confirmed their attendance. I am proud to be a part of this celebration and would also like to commend the efforts of the members of the Gary Committee to Commemorate the 1972 National Black Political Convention: Richard Gordon Hatcher, James Holland, Dozier T. Allen, Morris Carter, Judy Cherry, Carolyn McCrady, and a host of other participants working to make this anniversary celebration a success. As the U.S. Representative of Indiana's First Congressional District, I am proud to represent the place of my birth, Gary, IN. I look forward to continuing to work with my African-American colleagues in making this country a better place for all people.

Mr. Speaker, I ask you and my other distinguished colleagues to join me in commemorating the 25 year anniversary of the 1972 Black Political Convention and to encourage public participation in carrying out their vision into the future.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1998

SPEECH OF

HON. JOHN W. OLVER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 25, 1997

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2267) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1998, and for other purposes:

Mr. OLVER. Mr. Chairman, I rise in strong opposition to the Hefley amendment which would reduce funding for the economic development agency [EDA] by $90 million.

The EDA plays a vital role in providing support to communities in high economic distress. An anecdote from my district illustrates how the EDA can work for all of our cities and towns. A large community in western Massachusetts just experienced sizable defense industry layoffs. Modest economic development money can inject economic life into communities facing similar hardships. EDA grants fund utilities construction to create industrial parks, provide capital for small business loans, fund regional economic planning for small communities to coordinate job creation efforts, and turn former military bases into centers for new businesses.

EDA funds help to build infrastructure, attract private investment, and create jobs. This is the kind of help that every district needs.

I urge my colleagues to preserve EDA funding and reject the Hefley amendment.

HONORING RABBI BERTRAM KORN

HON. JON D. FOX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 26, 1997

Mr. FOX of Pennsylvania. Mr. Speaker, I rise today to honor a man who, in his all-too-brief 60 years of life, accomplished more than most could in three lifetimes. Rabbi Bertram W. Korn was a man of deep faith, a devoted family man, a heroic military officer, and a community leader in the 13th Congressional District of Pennsylvania.

Rabbi Korn served Reform Congregation Keneseth Israel in Elkins Park, PA, as its senior rabbi from 1949 until his death in 1979. During that period, Keneseth Israel grew to become the largest synagogue in the Delaware Valley and a keystone of the religious community of Montgomery County, PA. He was the first senior rabbi to be educated, Bar Mitzvahed, and confirmed at the synagogue he led for so many years.

Mr. Speaker, Rabbi Korn was a dynamic and energetic leader who was known for his charismatic leadership and a catalyst for progressive change. He was entirely devoted to his congregation and would be there for them at important events throughout their lives. While his title comes from the Hebrew rabbi, meaning "my master," Bertram Korn spent his life in service to the congregation of Keneseth Israel.

Rabbi Korn was a trailblazer, patriot, and military leader. Since World War II, he faithfully served the U.S. Navy becoming the first Jewish admiral in the Naval chaplaincy. He was a scholar, historian, and humanitarian with numerous books and writings to his credit.

Now, the congregation he loved and served so conscientiously will honor him by dedicating its sanctuary to Rabbi Korn's memory at Shabbat services this evening. Mr. Speaker, in Judaism, the sanctuary is the spiritual center of our synagogue and it is fitting that Keneseth Israel is dedicating their sanctuary to Rabbi Korn because for them, he was their spiritual center for many years and his memory and influence still lingers. The sanctuary is where our families gather for prayer and where we keep the Torah, which contains the entire body of Jewish religious law and learning including sacred literature and oral tradition. Rabbi Korn exemplified what is best about the family and the power of prayer for generations of our people.

Leading tonight's ceremonies will be Keneseth Israel's new senior rabbi, Bradley Bleefeld as well as Rabbi Aaron Landes of Beth Shalom Congregation. Rabbi Landes was both a rabbinical and Navy colleague of Rabbi Korn and will be the featured speaker and will be followed by Charles Pollack, head of the Bertram Korn Memorial Committee.

At the end of the service there will be two dedications. The first is a dedication of a mezuzah commissioned by the Korn family including his sister, Jean, and his two children, Bertram Jr., and Judy. A mezuzah is a copy of the Hebrew text of Deuteronomy 6:4–9 and 1:13–21 in a container marked with the word Shaddai, the name of God. Rabbi Korn's son, Bertram W. Korn Jr., is the executive editor of the Jewish Exponent newspaper in Philadelphia. The second dedication will be the dedication of the sanctuary.

In association with this celebration, Temple Judea Museum of Keneseth Israel is opening a display of artifacts honoring Rabbi Korn to coincide with the dedications. In the entire 150-year history of the synagogue, there have only been seven rabbis. Of all of them, Rabbi Korn, is noted for having 13 or 14 of his students go onto rabbinical college.

E. Harris Baum, current president of Keneseth Israel, said that part of this celebration is designed to introduce a new generation

of young Jews to the legacy of a great rabbi and to rekindle interest in his intellectual work and all that he gave to Reform Judaism. Mr. Baum said the message he received from Rabbi Korn was that each individual in the world has a responsibility to the other—not just Jews, but to all human beings.

Recently, Mr. Speaker, we honored Mother Teresa of Calcutta for similar reasons. Both of these individuals recognized that human kindness and our obligation to care for each other should not be limited by national origins or differences in religious practice. Compassion for each other is something that can bring the world's religious together just as Rabbi Korn's humanity pulled the families of his synagogue together in prayer and caring. His positive impact as a rabbi was felt all over the United States.

Rabbi Korn believed in the vibrancy of Judaism and believed it to be an empowering, energizing force for human growth and development. He not only preached this belief, he incorporated it into his daily life and urged his congregation and others across the United States to do the same. As example of his self-sacrificing dedication to humanity, Mr. Speaker, his daughter has spoken of times when he was sick and would have to go to the hospital for dialysis in the morning. Following this fatiguing treatment, instead of going home to rest, he would spend his time visiting patients throughout the hospital. During his entire life, Rabbi Korn put others before himself and his own needs. Now, his congregation and the entire reformed movement can admire his legacy and have the chance to say "thank you."

So, Mr. Speaker, I am very proud to rise to pay tribute to beloved Rabbi Bertram W. Korn and I join with his family, friends, congregation, and the entire Delaware Valley community to salute him and offer our gratitude for a lifetime of service.

THE OKLAHOMA WOMEN'S BUSINESS CENTER

HON. J.C. WATTS, JR.

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 26, 1997

Mr. WATTS of Oklahoma. Mr. Speaker, the Oklahoma Women's Business Center, serving all of central Oklahoma, is an excellent example of a public-private nonprofit organization uniting and coordinating a multitude of Oklahoma resources in support of small women-owned companies. Mr. Speaker, I visited the Oklahoma Women's Business Center during the August recess and learned first hand of their superb efforts to train, mentor, coach, fund, and encourage women-owned businesses. Over the past 2 years the Women's Business Center was integral in assisting women-owned businesses in developing strategic plans, obtaining expansion capital, and expanding market share. The Oklahoma Women's Business Center can point to numerous successes, like Rosemary Carslile, owner of Mattress Furniture Direct in Norman, OK, who experienced a 30-percent growth in sales, in part, because of the help she received from this program. The economic leverage realized from programs like this contribute immensely to women's entrepreneurial efforts and are responsible for creating products, services, and new jobs within the community. Mr. Speaker, I strongly support programs like the Oklahoma Women's Business Center.

A TRIBUTE TO REV. WILLIAM P. COOKE

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 26, 1997

Mr. MATSUI. Mr. Speaker, I rise today to pay tribute to the reverend emeritus of the Shiloh Baptist Church in Sacramento, CA. Rev. William P. Cooke. As Reverend Cooke celebrates his 80th birthday today, I ask all of my colleagues to join me in saluting his remarkable life's work in community service.

Reverend Cooke's commitment to the Sacramento community dates back to 1952 when he joined Shiloh Baptist Church. In 1956 he was ordained by the church and he began his service as pastor just 3 months thereafter.

The commitment of Reverend Cooke to his congregation has become legendary in Sacramento. When the membership undertook the task of building a new church, Pastor Cooke often labored alone on the construction of a new house of worship for his ministry.

For 5 years, Reverend Cooke worked 12- to 15-hour days completing the church structure. Since the congregation had no carpenters among its ranks, Pastor Cooke did all of the finish carpentry himself. Reverend Cooke's unwavering dedication to this project ultimately led to the completion of a new house of worship for Shiloh Baptist Church in 1963.

In 1965, Pastor Cooke began the important tradition of an annual banquet for the Shiloh Baptist Church congregation. The day was envisaged by Reverend Cooke as a perpetual reminder of the hardships endured and the accomplishments achieved by the prayer and faith of his dedicated membership.

Since then, Reverend Cooke has been a formidable spiritual leader in the Sacramento community. Currently, he is enjoying a very well-deserved retirement after 26 years as pastor at Shiloh Baptist Church, plus another 4 years in an interim capacity.

Over the years, Reverend Cooke has received numerous special recognitions for his many good deeds. In 1973, the Sacramento City Council paid tribute to Reverend Cooke for his work as a member of the Citizen's Committee on Police Practices by giving him a Distinguished Service Award.

Because of his tireless leadership and concern for his fellow Sacramentans, especially young people, Reverend Cooke was presented with the Father of the Year Award in 1977. He has served selflessly as a foster parent for dozen of children throughout California.

Reverend Cooke has also displayed a passion for the cause of civil rights. Along this vein, he served as a member of the board of the National Association for the Advancement of Colored People for many years.

In 1985, Reverend Cooke was honored with the Educational Board Award of the California State Baptist Convention. His exceptional leadership of Shiloh Baptist Church, along with an unwavering confidence in the power of education, made Reverend Cooke a most appropriate recipient of this high honor.

Additonally, Reverend Cooke was recognized for his exceptional spiritual deeds when he was presented with the Intergenerational Spiritual Leadership Award in 1994. The Department of Health and Human Services has similarly honored Reverend Cooke with an award for Outstanding Public Service.

Mr. Speaker, I am honored to pay tribute today to a remarkable man of faith who single-handedly built a great ministry in Sacramento. Rev. Willie Cooke is a special person whose record of compassionate community service will endure for many years to come. I ask all of my colleagues to join me in wishing him a very joyous 80th birthday celebration.

CAMPAIGN FINANCE REFORM

HON. RON KIND

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, September 26, 1997

Mr. KIND. Mr. Speaker, today I want to take a moment to offer my praise and thanks to the Members of the U.S. Senate. Today the Senate began debating campaign finance reform. Senate Majority Leader TRENT LOTT has shown great leadership by bringing a bill sponsored by Senators MCCAIN and FEINGOLD to the floor. Senator LOTT knows that the public is eager to have a debate on this issue and should be applauded for responding to the demands of the people.

Unfortunately, Speaker GINGRICH has chosen not to follow Senator LOTT's lead. Today's New York Times headline says it all, "Gingrich Asserts Campaign Bill, Alive in Senate, Is Dead in House." The Speaker has made it clear that the status quo has served his own self interests and he has no desire to fix the worst abuses in the campaign system.

The Speaker believes that rather than taking the influence of big money out of politics, we need more money in the system. The people of western Wisconsin do not share this belief. The people of western Wisconsin know that the millions of dollars raised in soft money for both political parties, which is all legal, leaves them out of the process and it must be stopped. The people of western Wisconsin think that the reason they no longer have a voice in the process is because they can't make $1,000 contributions to a candidate for office. Raising the current $2,000 per individual campaign limit is not the answer to getting more real citizens involved in the process, and it only shows how out of touch the Speaker is with the people of this Nation.

I hope that the Speaker will reconsider his stated opposition to campaign finance reform. I hope that Speaker GINGRICH will follow the lead of Senator LOTT and bring a bill to the floor soon. We will no longer take "no" for an answer.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1998

SPEECH OF

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 25, 1997

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2267) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1998, and for other purposes:

Mr. GILMAN. Mr. Chairman, I rise today in support of restoring $4.9 million of necessary funding to the Tropical Ocean-Global Atmosphere Program [TOGA] which is responsible for researching and predicting the effects of el nino.

El nino is responsible for driving the tradewind system and is characterized by long periods of rainfall, which are normally found over Indonesia, moving out into the Pacific as the ocean water warms there. As el nino fades, the rainfall patterns return to their normal positions. These climate fluctuations affect much of the world over simply due to a change in the prevailing winds over much of the planet as tropical rainfall patterns change their position and intensity. Severe storms and flooding along the west coast, droughts in the midwest and increased typhoons in Hawaii are a sample of the severe weather problems associated with el nino.

Columbia University's Lamont-Doherty Earth Observatory, located in my district, is the home of the International Research Institute for Climate Research, a National Oceanic and Atmospheric Administration [NOAA] funded institute. Working in conjunction with the Scripps Institute of Oceanography at the University of California at San Diego, Columbia University's renowned facility has helped to define the el nino effect.

With this year's prediction that there will be the most active el ninos of the century, I believe that we must give full funding of $74.9 million to the Office of Global Programs at NOAA. This can be achieved by adding an additional $4.9 million which will be used by TOGA for continuing to research el nino.

Increasing the funding for the TOGA Program would expand its ability to work as a fully operational observation system, thus providing NOAA with the opportunity to understand the climate conditions caused by el nino. This early warning capability would in turn help business owners, farmers, and local government officials better prepare for the damaging effects of el nino.

I appreciate the work done by Chairman ROGERS and look forward to working with him and Mr. BILBRAY of California as we proceed with these important programs.

HAMMOND TECHNICAL VOCATION APPRECIATION SOCIETY

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 26, 1997

Mr. VISCLOSKY. Mr. Speaker, it is my great pleasure to congratulate the Hammond Technical Vocation Appreciation Society as it holds its first annual "Thanks for the Memories" Recognition Dinner tonight, September 26, 1997, at the After Four Supper Club in Cedar Lake, IN. I would also like to take this opportunity to commend the Society's board of directors, Stan Bafia, Dave Carlson, Chester Lobodzinski, Tom Martin, and Marvin Snorton, for the work they have put forth in planning this special event.

The Hammond Technical Vocation Society was founded in November 1996, for the primary purpose of paying overdue recognition to past faculty members of Hammond Technical Vocation High School, Hammond Tech. Tonight's dinner will be in recognition of four outstanding former educators and coaches of Hammond Tech High School, who have displayed the utmost in pride and dedication throughout their careers. Special recognition will be given to this year's selected honoree, retired educator and coach, George Bereolos. Former coaches, Dale Vieau, the late Swede Carlson, and the late Richard Milton Wilson, will also be honored on this occasion. Hammond Tech will forever be remembered for its 1940 State Championship Basketball Team, whose three remaining members, Bob Haack, Richard Haack, and John Thomas, will be recognized at the dinner tonight.

An educator and coach for 42 years in the Hammond School System, George Bereolos' accomplishments in the classroom and on the court are shining examples of the pride and dedication he exhibited in his work. A 1934 graduate of Hammond High School, George earned a degree in education from Indiana University after his service with the U.S. Army as a first lieutenant during World War II. In addition to teaching social studies, George assumed the added responsibility of head basketball coach in 1954. George's coaching career also included positions with the track and football teams. George currently resides in Munster, IN.

Dale Vieau, Swede Carlson, and Richard Milton Wilson were very devoted teachers and coaches at Hammond Tech, as well. Dale Vieau, a 1944 graduate of Hammond Tech, coached for his alma mater for approximately 32 years, and within the Hammond School System for 38 years. Dale served as coach of the basketball, baseball, and cross country teams. Swede Carlson, a 1938 graduate of Ball State University, was a history and social studies teacher for Hammond Tech. Before his retirement in 1979, he worked with the golf and football teams during his 34-year coaching career. Upon earning his teaching degree from State Normal School, now the University of Wisconsin, Richard Milton Wilson began Hammond Tech's physical education and athletic programs. In the early years of the program, Richard coached every sport with one assistant. An excellent athlete, Richard played football with the Green Bay Packers from 1919 to 1921. In the early 1980's, he was inducted into the Green Bay Packer Hall of Fame. Although Swede Carlson and Richard Milton Wilson have both passed away, memories of their spirit and love for teaching will always remain.

Hammond Tech was founded in 1919, when Fred S. Barrows began a vocational high school in the attic of Central High School on Russell Street in downtown Hammond, IN. In the first year of the school's existence, there was only one teacher and one student. However, only 3 years later, Hammond Tech students filled the halls of the Central High School building when a new Central High School was built on Calumet Avenue. Hammond Tech remained at this location until the summer of 1949, when a new Hammond Tech High School was built on Sohl Avenue. Although the State of Indiana closed Hammond Tech in 1980, the school will always be held in high esteem for the strong dedication and concern of its faculty, as well as the academic and athletic accomplishments of its student body. Today, Hammond Tech still holds the record for the highest high school graduation rate in the nation, at 98.6 percent.

Mr. Speaker, I ask you and my other distinguished colleagues to join me in congratulating the Hammond Technical Vocation Appreciation Society and this year's faculty honorees for their lifetime of dedication to their school and its students. I commend all of those who have played a role in successfully keeping the memory of Hammond Tech alive over the years, as the pride and spirit of its faculty and former students serves as an inspiration to us all.

GOLD STAR MOTHER'S DAY

HON. ZACH WAMP

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, September 26, 1997

Mr. WAMP. Mr. Speaker, they were in the prime of life, full of hope and youthful promise, when they died defending their country and preserving our freedom. Their loss was and is heart-breaking for the families and friends they left behind. And—enjoying the long period of peace and freedom that these young American service men and women bought so dearly—we are in danger of forgetting their great sacrifice.

But there is one group of fine Americans who are uniquely able to make sure that the rest of us do not forget. They are the Gold Star Mothers. Each one lost a child who died in the military service of our country during time of war.

I am proud and grateful that we have a strong and active group of Gold Star Mothers in the Third District of Tennessee, which I represent in Congress. On Sunday, September 28, they and their counterparts from all across the Nation are marking Gold Star Mother's Day. They are part of a group that had its roots in the first great conflict of the 20th Century: World War I. President Woodrow Wilson proclaimed that service flags would be displayed at homes that had family members

serving the country. Blue Stars were displayed for each family member in the Armed Forces. And, as the war progressed and casualties mounted, the stars were turned to Gold Stars to represent each service member killed defending our country.

The Gold Star Mothers were officially organized in Washington, DC, in 1929. But one does not have to be a formal member of the national organization to be a Gold Star Mother. The standard for entering this revered group of Americans is much, much higher and more difficult than simply joining an organization. One must have had a child who made the supreme sacrifice for our country. In 1936 Congress—in a joint resolution—designated the last Sunday in September as Gold Star Mother's Day. In 1940, President Franklin Roosevelt further recognized the day.

These Gold Star Mothers, perhaps better than anyone else, know the agony that comes from caring for, nurturing, and raising up a child only to see that young life lost just as it is beginning. But these fine Americans, who include at least 62 ladies from the Chattanooga area, deserve the greatest admiration, thanks and respect from all of us.

These ladies whose loved ones did not make it home devote themselves to caring for and helping those who did. In a supreme act of love and concern for others, many Gold Star Mothers dedicate themselves to helping the children of other mothers, children who survived war. Gold Star Mothers assist in all manner of ways. They visit veterans' hospitals to help service people there. They take part in patriotic observances that help all of us remember the sacrifices that bought our freedom. On Sunday those in the Chattanooga area are marking the observance of the day during a candlelight ceremony at VFW Post 4848 in Chattanooga.

I salute the Gold Star Mothers of the Third District, the Chattanooga area, and the Nation. All of us should be grateful that our Nation produces men and women with the courage and dedication to make the supreme sacrifice so that we might be free. We should be thankful too that our Nation has mothers whose courage and compassion help make those sacrifices worth it and—in the most special way—make sure that the memory of those who died for our country lives on.

PERSONAL EXPLANATION

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 26, 1997

Mr. RADANOVICH. Mr. Speaker, on Thursday, September 25, 1997, I missed rollcall votes Nos. 447 and 455.

Rollcall vote No. 447 was an amendment, by Representative ELEANOR HOLMES-NORTON, to H.R. 2267 that would strike bill language to prohibit the use of funds to perform abortions in the Federal Prison System. Let the record state, that had I been present, I would have voted against this amendment.

An amendment by Representative JOEL HEFLEY, rollcall vote No. 455, was also offered on September 25, 1997. It would reduce funding for thee Economic Development Administration's trade adjustment assistance program by $90 million. I would like to make it known I would have voted in favor of this amendment had I been present to vote.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1998

SPEECH OF

HON. DAVID E. PRICE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 25, 1997

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2267) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1998, and for other purposes:

Mr. PRICE of North Carolina. Mr. Chairman, I join my colleagues from North Carolina and Maryland in strong support of the amendment to provide $3 million to the National Oceanic and Atmospheric Administration to respond to the *Pfiesteria* threat on the east coast of the United States. I am a cosponsor of this amendment because we in North Carolina have felt the effects of *Pfiesteria piscicida* for a number of years, through massive fish kills in the Albemarle-Pamlico Estuarine System and through reports of strange health effects from people who have been in and near affected waters, including skin lesions, respiratory impairment, and memory loss. Although there has been some Federal role in supporting research on *Pfiesteria* and *Pfiesteria*-like dinoflagellates in the past, the recent fish kills and reported human health effects in Virginia and Maryland related to *Pfiesteria*, and further reports of the presence of the toxic form of *Pfiesteria* from Delaware all the way to Florida, call for a broader role by the Federal Government in what is showing itself to be a regional environmental and human health problem.

Through its new, interagency Ecohab Research Program, the National Oceanic and Atmospheric Administration has the capacity to play an essential coordinating role in research efforts designed to uncover the ecological dynamics which favor the transformation of *Pfiesteria* into its toxic form. This amendment will also provide funding to affected States to initiate and extend essential efforts to monitor for *Pfiesteria* and similar organisms. Monitoring will allow researchers to quickly respond to outbreaks of *Pfiesteria* in its toxic form and gather the data which is necessary to accelerate our progress in learning more about the causes and effects of this organism.

I want to thank the gentleman from Maryland [Mr. HOYER] for taking the lead on this important issue and for his part in initiating this important amendment. I appreciate my colleagues' support for this amendment for a greater Federal role in research related to *Pfiesteria*.

TRIBUTE TO MYRON FLECK

HON. ELIZABETH FURSE

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Friday, September 26, 1997

Ms. FURSE. Mr. Speaker, I rise today to honor a distinguished Oregonian, Myron Fleck, who is retiring after 30 years with Coopers & Lybrand L.L.P. It has been my honor to call Myron a friend for the past 5 years that I have held office. He has also been a valued advisor and counseled me on numerous issues important to his profession.

Over the past 3 decades, Myron has had a distinguished career. He has been a leader in a number of professional associations, including the Oregon Society of Certified Public Accountants and the Portland Estate Planning Council where he was past president to both. He has been an active member of the National Council of Farmers Cooperatives where he chaired the legal, tax, and accounting committee, as well as the National Society of Accountants for Cooperatives where he led the taxation committee.

In recognition of his knowledge of the accounting profession, Myron was appointed to the Oregon State Board of Accountancy and served three terms, one as chairman. In addition, Myron's academic credentials include his tenure as adjunct professor of taxation at the Portland State University and editor of a column for the Agricultural Journal of Taxation.

Myron has been actively involved in his community as well. He has been a long-standing member of the Portland Rotary and serves on the finance council of the Catholic Archdiocese of Portland. He is a former trustee to Saint Mary's Academy High School.

As a partner at Coopers & Lybrand, Myron has advised clients in a variety industries with special emphasis on tax services to cooperatives and bank holding companies. He retires as the partner-in-charge of the Portland office tax practice, as well as his firm's northwest regional tax partner-in-charge.

Myron has had a productive and full career. He has given back much to his profession and his community, and I am pleased to have had his views and advice. I hope that Myron enjoys a long and rewarding retirement.

Please join me in wishing Myron well.

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1998

SPEECH OF

HON. ROBERT B. ADERHOLT

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 24, 1997

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2378) 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, 1998, and for other purposes:

Mr. ADERHOLT. Mr. Chairman, I rise today to speak out against an increase in pay for Members of Congress.

The Federal Government is still spending more than it takes in. Despite the fact that we have passed the historic balanced budget bill which will balance the budget by 2002, until that date, we are still adding to the national debt that we will pass on to the next generation of Americans. I believe to allow a pay raise for Members of Congress at this point in time is not the responsible thing to do.

Congress should not be increasing its pay while we have such a large national debt, especially when we are adding to that debt every day. This is one reason I am cosponsoring H.R. 632, the Balance the Budget First Act of 1997, introduced by Congressman JON CHRISTENSEN. This legislation not only repeals the automatic pay increase for Members of Congress, but it also expresses the sense of the Congress that pay of Members of Congress should not be increased until the Federal budget has been balanced.

I appreciate that under current law, the pay increase for Members of Congress is tied to the pay increase for the Federal judiciary. That is why I am an original cosponsor of H.R. 2517, introduced by my colleague from Alabama, Congressman BOB RILEY. This legislation, like H.R. 632, would eliminate the automatic pay increase only for Members of Congress, not for members of the Federal judiciary.

I hope that we will have the good sense to listen to the American people and prevent this pay increase for Members of Congress.

COMMONWEALTH OF NORTHERN MARIANA ISLANDS

SPEECH OF

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 24, 1997

Mr. HALL of Texas. Mr. Chairman, while the gentleman from California [Mr. MILLER] and I seldom agree on issues, we are apparently in agreement that more resources and effort must be committed to law enforcement in The Commonwealth of the Northern Mariana Islands. It is my strong recommendation that additional funds be transferred to the appropriate category for use in adding an additional Assistant U.S. Attorney to be stationed in the NMI. It is the obligation of the Federal Government to ensure that Federal laws are enforced in the Commonwealth. The addition of an Assistant U.S. Attorney will provide needed support to enforce Federal criminal law. I hope the Chairman [Mr. ROGERS] will include language in the managers statement to this affect.

In a report prepared under Mr. MILLER's supervision and published in April of this year by the minority staff of the House Resources Committee, it is alleged that in the past 5 years there are 27 documented examples of failure to prosecute violations in the CNMI. Of these, 21 were either in the exclusive or concurrent jurisdiction of the U.S. Department of Labor, the National Labor Relations Board, the U.S. Attorney's Office or other U.S. Departments. Only six were within the exclusive jurisdiction of the CNMI. Mr. MILLER's report was a scathing denunciation of the CNMI but contained no similar rebuke of the Federal agencies who had jurisdiction over the majority of abuses he cites. I am pleased to see his recognition of the need for Federal attention to Federal problems in the CNMI.

While this may be a proper forum to take this first small step, it is not the forum to address the larger questions of Federal responsibility in the CNMI. The committee of jurisdiction is the Resources Committee. It is my understanding that my good friend from Alaska, Mr. YOUNG, chairman of the Resources Committee, will lead a delegation to that area in January. I strongly suggest that the gentleman from California, who is the ranking member of that Committee join the chairman on that trip. Hopefully, he will be persuaded—as I was after my visit there—that while there are some problems in that area—which voluntarily became a part of America 21 years ago—those problems are not insurmountable. I believe this cooperation will yield much more readily to reasoned solutions than the impassioned rhetoric heard on the House floor.

THE ATP PROGRAM

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 26, 1997

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, the ATP Program is important to our economy because it facilitates a partnership between research and commercialization. ATP's mission is that technology should benefit the U.S. economy. As a result, ATP's sole aim is to develop high-risk, potentially high-payoff enabling technologies that otherwise would not be pursued because of obstacles and risks that discourage private investments.

This partnership is crucial to the private sector because it gives them the opportunity to succeed without crippling risks that may preempt them from marketing necessary technological patents. ATP is industry driven—research priorities are set by the industry, not the Government. This enables organizations to share costs, risks, and technology expertise in competitive research and development projects.

Partnership programs like the ATP Program help bridge the gap between the lab bench and the marketplace, and help spawn new innovations and industries. This freedom allows researchers and industry to work together toward a common goal. ATP works through rigorous, open competition and is accessible to all businesses. This has proven to be an effective mechanism for motivating companies to look farther out onto the technology horizon. In addition, ATP is a competitive, peer-reviewed, cost-shared program.

In closing, ATP-sponsored research fuels economic growth by introducing future products and industrial processes. I fully support the ATP Program because disabling this program would discourage research and development which is key to strengthening our economy and international commerce.

PERSONAL EXPLANATION

HON. JAMES E. ROGAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 26, 1997

Mr. ROGAN. Mr. Speaker, on Thursday, September 25, 1997 due to illness, I was granted a leave of absence and therefore unable to vote. Had I been present, I would have voted in the following manner:

Rollcall No. 438 "no," Rollcall No. 439 "yes," Rollcall No. 440 "no," Rollcall No. 441 "yes," Rollcall No. 442 "yes," Rollcall No. 443 "yes," Rollcall No. 444 "no," Rollcall No. 445 "no," Rollcall No. 446 "yes," Rollcall No. 447 "no".

Rollcall No. 448 "no," Rollcall No. 449 "no," Rollcall No. 450 "no," Rollcall No. 451 "yes," Rollcall No. 452 "yes," Rollcall No. 453 "no," Rollcall No. 454 "no," Rollcall No. 455 "yes," Rollcall No. 456 "yes".

END LOGGING ROAD SUBSIDIES NOW

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 26, 1997

Mr. LANTOS. Mr. Speaker, as conferees representing the House and Senate go to conference to resolve differences between each Chamber's version of the Interior appropriations bill, I urge my colleagues on the conference committee to put an end to the use of taxpayer subsidies for the construction of logging roads in our national forests.

The Federal Government spends millions of dollars each year subsidizing the construction of logging roads in our national forests. These roads' only purpose is to allow loggers to cut more trees. It is time to end this fiscally wasteful and environmentally destructive subsidy of the timber industry.

Our national forests represent a major portion of some of the last remaining untouched forests in this country. Regrettably, the U.S. Forest Service continues to spend $90 million each year to build logging roads deep into these forests so that timber companies can chop down these precious resources. These needless corporate subsidies also carry with them very detrimental environmental consequences. I know of absolutely no reason why we should continue the construction of these roads.

Logging roads cut through precious habitats of fish and wildlife, including many threatened and endangered species. The construction of these roads has had a devastating impact upon habitat, water quality, and wildlife population. Road construction has also increased the risk of landslides, erosion, and siltation of streams.

In July, the House voted on the Porter-Kennedy amendment to the Interior Appropriations Act of 1998, which would prevent further destruction of our Nation's Federal forests, including old growth forests which remain on public land. The vote to abolish this subsidy came within only two votes of passing the

House. A secondary amendment, however, cut the subsidy in half.

Mr. Speaker, it is not often that we have a chance to enhance environmental protection while at the same time reducing the Federal budget deficit and finally putting an end to an unnecessary corporate subsidy. Soon, the House-Senate conference committee will make a decision about the inclusion of the logging road subsidy. I urge the conferees to eliminate purchaser credits and eliminate the appropriation for timber roads. We do not need any new taxpayer subsidized logging roads in our national forests.

AMERICA RECYCLES DAY

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 26, 1997

Mr. FARR of California. Mr. Speaker, today I am introducing legislation that would express the sense of the House that the country ought to give itself a pat on the back for its progress in recycling. I am joined in this effort by Mr. PORTER, Mr. GEJDENSON and Mr. GILCHREST, and I am proud to have them as partners in this worthy effort.

This resolution would suggest that the House believes it appropriate that a national celebration of "America Recycles Day" be observed by States and localities. This would be a day to celebrate the progress the country has made in establishing and integrating recycling programs in each State, in hundreds of cities, in thousands of communities.

Whether it be the simple act of depositing an old Coke can in an aluminum recycling bin, or meticulously separating brown glass from green glass from clear glass and hauling them all down to the city recycling center, it is clear that Americans have learned that recycling is a valuable means of conserving resources, saving money, and keeping our environment clean.

When you look at the trash that we generate in a year's time—208 million tons worth—it is clear that it is incumbent on us to use less, recycle more, and find new ways of managing our finite resources. The numerous recycling programs throughout the country are dedicated to this cause and each person who recycles ought to be commended for their dedication to a cleaner, safer environment.

The resolution I introduce today with my colleagues will hopefully be a catalyst for more Americans to recycle and continue this positive and simple means to a better future.

Mr. Speaker, I ask unanimous consent that the text of the resolution be printed following my remarks.

H. RES.—

Whereas the people of the United States generate approximately 208,000,000 tons of municipal solid waste each year, or 4.3 pounds per person per day;

Whereas the average office worker in the United States generates between 120 and 150 pounds of recoverable white office paper a year;

Whereas the Environmental Protection Agency recently estimated that the recycling rate in the United States has reached 27 percent of the solid waste stream;

Whereas making products from recycled materials allows the people of the United States to get the most use of every tree, every gallon of oil, every pound of mineral, every drop of water, and every kilowatt of energy that goes into the products they buy;

Whereas manufacturing from recycled materials creates less waste and fewer emissions;

Whereas recycling saves energy, reducing the need to deplete nonrenewable energy resources;

Whereas it is estimated that 9 jobs are created for every 15,000 tons of solid waste recycled into new products;

Whereas recycling is completed only when recovered materials are returned to retailers as new products and are purchased by consumers;

Whereas buying recycled products conserves resources and energy, reduces waste and pollution, and creates jobs;

Whereas more than 4,500 recycled products are now available to consumers;

Whereas the United States has a two-way, use and reuse system of recycling and buying recyclables;

Whereas Americans support recycling, but need a regular reminder of the importance of buying recycled content products, the availability of recycled content products, and how to recycle;

Whereas states and localities throughout the country will be establishing November 17, 1997, and November 15, 1998, as "America Recycles Day" in their communities: Now, therefore, be it

Resolved, That—

(1) the House of Representatives supports the goals of America Recycles Day; and

(2) the House of Representatives requests that the President issue a proclamation calling on the people of the United States to support the goals of each America Recycles Day with appropriate ceremonies and activities.

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1998

SPEECH OF

HON. JOHN F. TIERNEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 26, 1997

Mr. TIERNEY. Mr. Speaker, I rise today slightly bemused at the specter we are witnessing where the Republican Majority is effectively denying its own member, the gentlewoman from Washington, the opportunity to address a matter of significance to her and other members.

Last week, the same Majority brought forward for a vote H.R. 2378, Treasury, Postal, General Government Appropriations for FY 1998. The rules established by the leadership did not allow for broad amendments, Representative SMITH tells us she wanted an opportunity to raise under that bill the issue of Cost of living Adjustments for federal employees, including judges and Members of Congress.

Mr. Speaker, I have no way of knowing if the gentlewoman was persuaded or tricked by her leadership into not raising the issue, at that time. I do know that the membership, in the absence of amendments, addressed the merits of appropriations set forth in H.R. 2378, and voted only on that. In the aftermath, the vote on the appropriations bill was construed as being either "for" or "against" maintenance of the Cost of living Adjustment—for all Federal employees, judges and Congressmen and women. This, of course, later got further distilled as a vote "for" or "against" a congressional pay raise.

All of that occurred without adequate deliberation on the issue of COLAs, and even without specific discussion as to whether a distinction could be made for COLAs for federal employees, judges or Members of Congress. Thus, the American public was deprived of a clear and full enunciation of respective positions as well as a recorded vote on this particular issue. Members were ill-served by the portrayal of the vote on the broad Treasury, Postal, General Government Appropriations bill as a vote on a pay raise, particularly when the bill did not specifically address Ms. SMITH's issue.

The Majority now appears ready to compound the travesty today by once again closing debate without providing Ms. SMITH and those who might agree with her position an opportunity to amend or even debate the issue.

Mr. Speaker, operation of the House in such a manner could rightly be seen by the public as akin to the conduct of a certain Senate Committee Chairman in the other legislative body who recently invoked procedure to stifle a hearing and vote on an ambassadorial appointment for Mexico.

I suggest Mr. Speaker, that people will and should be more troubled by the way this business has been conducted than by whether or not a 2.3% COLA, in place since 1989, actually is authorized.

Personally I find that points made by experienced Members—including those who were here in 1989—seem to be reasonable in support of the 2.3% COLA, for Members of Congress, as well as for judges and other federal employees. I am told that the COLA was first established at a time when Members' ability to earn outside income was curtailed. In addition, Members are afforded no living allowances for the costs of maintaining a second residence and other expenses associated with the need to be both in the home district and in Washington D.C. Many Members believe firmly that the 2.3% COLA is fair, especially since it has not taken effect for several years, and that the salary set for Members helps attract quality candidates and Members. They also cite their seven day (and most evening) schedules and dedication to their work—which includes a responsibility to legislate on significant issues, including a multi-trillion dollar budget.

Yet these arguments have not been fully articulated because of the Majority's procedural maneuver to shut down debate. Other than a sense that the public may resent Congress' COLA, there has been little discussion as to why other federal employees and judges ought to be denied COLAs.

Mr. Speaker, I've yet to hear a sufficient rebuttal to the points made in favor of the COLA, but unfortunately it seems I shall not get that chance as the Majority appears set against it.

Had I the opportunity to weigh in, I'd like it known that I would support COLAs for federal

employees and judges. Since many would seize the opportunity to politicize any action on Congressional COLA's, I would prefer that they be allowed to take effect in the session of Congress following the one in which a vote is taken. In fact, Mr. Speaker, I suggest that that would be the better course this year and at any future time when the compensation of those voting on the issue is in question.

So, I object to abuse of the process, and the refusal of the Majority leadership to put the question squarely to the membership for deliberation, debate and vote. I am also sure many Members will find objectionable the interpretations and misinterpretations of Members' positions.

Mr. Speaker, the insistence of the Republican leadership to be clever on the issue instead of forthright is a disservice to the public and to Members.

TRIBUTE TO ST. JAMES PRESBYTERIAN CHURCH

HON. BRAD SHERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 26, 1997

Mr. SHERMAN. Mr. Speaker, I rise today to celebrate the groundbreaking ceremony for St. James Presbyterian Church's new sanctuary. It is an honor to join the congregation in celebrating this momentous occasion.

On January 17, 1994, the St. James sanctuary was destroyed by the Northridge earthquake. Since that time the congregation has worshiped in their fellowship hall which does not accommodate their entire congregation. Finally, 3½ years later, they are able to rebuild their sanctuary. We gather here to celebrate this new beginning.

St. James Presbyterian has a long and detailed history which stretches back to the end of the Second World War. During that time the San Fernando Valley had an unexpected population boom and Dr. John Tufft was selected by the Presbyterian Church's Presbytery of Los Angeles to be the organizing pastor of a new church in Tarzana, St. James Presbyterian Church.

The membership grew quickly, from 132 members in 1952 to 1,295 members in 1961. Luckily they were able to begin construction of a sanctuary to accommodate all who wanted to worship. They dedicated their magnificent sanctuary and the first service was so moving it was televised on the program "Great Churches of the Golden West." Unfortunately, it was this sanctuary that was destroyed by the earthquake.

Many members have struggled financially with the hopes of worshiping with the entire congregation under one roof again. This dream is finally a reality with today's groundbreaking ceremony.

Mr. Speaker, distinguished colleagues, please join me in celebrating the groundbreaking of this beautiful sanctuary. The members of this congregation deserve this recognition for their dedication and sacrifice.

IN RECOGNITION OF THE FORMAL DEDICATION OF ANHEUSER-BUSCH HALL AT WASHINGTON UNIVERSITY SCHOOL OF LAW

HON. STEVE R. ROTHMAN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 26, 1997

Mr. ROTHMAN. Mr. Speaker, I rise today to offer my sincere best wishes and congratulations to the Washington University School of Law in St. Louis, MO, as the school formally dedicates its new building, Anheuser-Busch Hall. This state-of-the-art facility will provide plenty of much-needed space and provide the students and faculty with all of today's modern technology to make for a productive learning environment. This environment will enable Washington University students to continue to excel and will allow the distinguished faculty to continue to provide an excellent education for the lawyers of the 21st century.

As a graduate of Washington University's School of Law, it is exciting to see this new five-story structure open, complete with its 350,000 volume law library. Mudd Hall, the old site of the law school and the building in which I spent many days and nights studying, taking classes, and working, holds special memories for me and many others. However, I am sure that Anheuser-Busch Hall will only enhance the law school's ability to provide a high quality education for our future leaders.

I urge all of my colleagues to join me in congratulating the university and school of law, all its students, faculty, and benefactors, and wish them the best in Anheuser-Busch Hall.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1998

SPEECH OF

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 25, 1997

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2267) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1998, and for other purposes:

Mrs. LOWEY. Mr. Chairman, I rise in opposition to the Bartlett Amendment.

This extreme amendment blocks the U.S. from taking even the first step toward fulfilling its debt to the U.N.

Mr. BARTLETT cloaks his amendment in the rhetoric of reform. He claims that his amendment will somehow take us down the path to reform.

But let's be very clear, Mr. Chairman. This amendment is NOT about U.N. reform. This amendment is simply about blocking the U.S. from fulfilling its obligations to the U.N.

I don't think there is anyone in this House who is not supportive of further U.N. reform. That is why we worked to elect a new Secretary General. That is why the Administration and the Congress have come up with a reform and arrears plan that is currently being negotiated by a conference committee. And that is why we will continue to advocate far-reaching reforms throughout the U.N. system.

But this amendment approaches the issue in an irresponsible, haphazard manner. In fact, the amendment would upend the ongoing negotiations between the Administration, Congressional leaders, and the U.N., setting back our efforts to implement reform in the U.N.

Mr. Chairman, the U.S. has a tremendous amount of influence within the U.N., but that level of influence is in danger of decreasing.

Our outstanding debt to the U.N. is draining our power in the organization and has created a climate of resistance to U.S. proposals.

The U.N. has historically served U.S. interests, but our debt is making it hard for the organization to carry out the very activities that serve these interests.

For all of these reasons, the U.S. must fulfill its financial obligation to the U.N. But that will not happen if the Bartlett Amendment passes.

In the interest of reforming the United Nations, I urge my colleagues to vote "no" on the Bartlett Amendment.

INVESTIGATE ABUSES SURROUNDING THE CITIZENSHIP U.S.A. PROGRAM

HON. MARK E. SOUDER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 26, 1997

Mr. SOUDER. Mr. Speaker, I am submitting additional evidence supporting the need for my amendment approved by the House on September 24, 1997 which provides $2,000,000 for the inspector general's office at the Justice Department to complete a thorough and objective investigation of the abuses surrounding the Citizenship U.S.A. Program accelerating the naturalization process prior to the 1996 elections. This evidence includes an executive summary of the KPMG Peat Marwick LLP Report, a statistical listing of the naturalizations where complete background checks were not done provided by the Justice Department, and an editorial in the Washington Post entitled "Burned Again."

Naturalization is a critical symbol of the American democratic experiment and the continuing contribution immigrants made. The time has come to eliminate this blemish on the immigration system and those, the overwhelming majority of whom, legally pursue their citizenship. These abuses of the Clinton/Gore administration should not be tolerated which cheapen the integrity of citizenship and the naturalization process.

DEPARTMENT OF JUSTICE, IMMIGRATION AND NATURALIZATION SERVICE, NATURALIZATION QUALITY PROCEDURES IMPLEMENTATION REVIEW

FINAL REPORT—APRIL 17, 1997

Executive Summary: The Department of Justice, Justice Management Division, engaged KPMG Peat Marwick LLP to review the Immigration and Naturalization Service's (INS) implementation of the November

29, 1996 Naturalization Quality Procedures (NQP). The Naturalization Quality Procedures address seven key enhancements to the naturalization process. These enhancements include (1) standardization of work process, (2) fingerprint check integrity, (3) enhanced supervisory review, (4) instructions regarding temporary file (T-file) use, (5) implementation of a standardized quality assurance program, (6) guidance regarding revocation procedures, and (7) requirements for increased monitoring of outside English and Civics test sites. The instructions contained within the November 29, 1996 memorandum were effective upon receipt, and affected interview scheduling and oath ceremonies.

DoJ contracted with KPMG to conduct a review of NQP implementation to evaluate the effective implementation of these procedures. This document contains our review of the NQP directed internal controls implemented by INS to determine if INS field offices and service centers were complying with Memorandum provisions. We conducted our review between February 19 and March 26, 1997. The sites reviewed by KPMG represent approximately 85% of the INS naturalization processing capacity and provide a cross-section of INS offices. Our review indicates that, of the seven areas addressed by the Memorandum, the INS continues to have the most significant control problems with the fingerprint process and the identification of statutorily-barred applicants.

A key control implemented by the Naturalization Quality Procedures was the establishment of a data match between INS naturalization tracking systems and the Federal Bureau of Investigation (FBI) billing system to identify aliens with a disqualifying criminal history. This data match allowed INS to direct that no cases could be scheduled for interview or oath ceremony until receipt of a definitive response from the FBI regarding criminal history had occurred. Although this data match utilizes the same methodology used to determine the number of cases identified for the felony case review, there is one important exception. Unlike the methodology utilized during the felony case review, the production system requires a match of not only the A-number, but also the first and last names of the applicant. This additional requirement should increase the accuracy of the matching results. However, it should be understood that, although this is an improvement over the previous methodology, the introduction of any data manipulation into the matching methodology also introduces potential errors into the results.

The root cause of this potential error is the continued lack of quality control in the completion of FD–258 fingerprint cards. Although the automated matching process does provide some control, a correct identification from the FBI is not assured. Currently, INS is experiencing a growing backlog of cases that are classified "not found" as a result of the failure of the FBI and INS matching effort. Additionally, in a sample conducted by INS of 200 cases identified as NON-IDENT by the FBI, 25 applicants admitted to previous arrested during their interviews.

In addition to the potential error in the matching methodology between INS and FBI systems, local and state agencies are not required to report criminal arrest data to the FBI. Although the problem with state and local agency reporting is beyond the control of the INS, the integrity of FD–258 data is clearly within the INS purview, and should be corrected immediately. Based on our review, the use of Designated Fingerprint Services (DFS) has done little to increase the accuracy of this data.

To ensure that no cases are scheduled for interview or oath ceremony until a definitive criminal history response from the FBI is received, a unique system-generated control number is required to be entered on the N–400 processing worksheet. However, in our review, we often were unable to verify that this mandatory check had taken place. Since this is the validation step of this critical control, we feel this constitutes a material weakness in the criminal history validation process.

Upon further examination of the fingerprint process, we discovered pending case files with fingerprints that had been rejected by the FBI and are currently on indefinite hold pending a policy decision from INS Headquarters. The categories of fingerprint rejections currently being held pending a policy decision include: Applicants whose fingerprints had been rejected twice by the FBI as unclassifiable; applicants who had not responded to a request to be reprinted; and, applicants whose rejection notice was undeliverable due to an incorrect address given by the applicant.

The number of rejections we witnessed further supports our conclusion that the DFS initiative is not significantly improving the overall quality and integrity of the FD–258 process.

In addition to the findings regarding the criminal history validation process, our remaining findings focused on two major areas: dissemination of the new procedures and staff training. With regard to dissemination of the NQP, we discovered three different versions of the memorandum had been distributed throughout the INS. One is the Commissioner's signed copy, a second is an unsigned cc:mail version of the Commissioner's memos with different attachments, and the third is an early version drafted for the Deputy Commissioner's signature. The cc:mail version being used did not require FBI verification, completion of a processing worksheet with initials and dates, nor enhanced supervisory review for IDENT, T-file, or complex cases. If a sense of urgency regarding the NQP was communicated from INS Headquarters, it became diminished as it worked its way down the chain of command. In addition, generally staff at the first-line supervisor level and below were not informed of the reasons behind the implementation of the changes.

In reviewing the training records related to the NQP memorandum, we discovered that INS Headquarters decentralized training down to the individual office level. There were no standards set, no curriculum established, and no policies established regarding the recording of attendance for accountability purposes. This was a major contributing factor in the INS' inability to implement fully the NQP.

As a result of our site reviews, it is now clear that the NQP has increased internal control and helped reduce the risk of incorrectly naturalizing an applicant. But it is also clear that criminal history validation, a key control of the NQP, remains ineffective. In addition, the NQP standards outlined in the memorandum were unevenly applied across the INS as a result of the lack of standardized training and an inability to effectively communicate the NQP requirements.

Due to the inherent weaknesses in the FBI and INS matching, and the continued lack of control within the overall fingerprint process, we cannot provide assurance that INS is not continuing to incorrectly naturalize aliens with disqualifying conditions.

Distribution of Naturalized Persons

[Sept. 1995–96]

Non-Idents: Persons identified as having no FBI criminal history records	766,959
Idents:[1] Persons identified as having FBI records which include INS administrative actions, misdemeanor and felony arrests and convictions	81,492
Reject/unclassifiable:[2] Persons identified as not having had definitive criminal history checks conducted because their fingerprint cards were rejected by the FBI because of poor quality prints	124,740
Not matched:[2] Persons for whom it cannot be determined whether or not FBI records checks were ever conducted	55,750
Elder/minor (not submitted): Elders and minors for whom INS policy does not require FBI records checks	19,685
Pending: Persons whose records checks were still being processed by the FBI at the time this data was produced	1,241
Total naturalized persons	1,049,867

(1) Includes 9,145 candidate IDENTS resulting from full FBI CJIS name check, without full 10-print identification, as well as some expunged records.

(2) No record found from full FBI CJIS name check. No criminal history record based on name/date of birth check.

Breakdown of idents

[Persons identified by FBI as having criminal records]

Administrative Violations: Individuals arrested only for INS administrative violations	31,000
Misdemeanor: Individuals arrested for at least one misdemeanor, but no felonies	25,000
Felony: Persons arrested for at least one felony	16,400
Candidate Idents: Possible matches based on name checks; some expunged records	9,100
Total idents	81,500

Table 3.—Case files reviewed by INS/KPMG

Proper decision: Cases in which the NRT adjudicators found that the statutorily defined residency and good moral character criteria were met (64.5%)	10,030
Presumptively ineligible: Cases in which the NRT adjudicators found that the statutorily defined residency and good moral character criteria were presumptively not met (2%)	296
Needs further action: Cases in which the NRT adjudicators found that they could not validate that the statutorily defined residency and good moral character criteria were met based on the information contained in the case files the NRT has in Lincoln (33.5%)	[1] 5,210
Total cases reviewed	15,536

[1] Plus 4,650 involve failure to reveal felony arrest.

[From the Washington Post, Mar. 5, 1997]

BURNED AGAIN

On subject after subject, this turns out to be a White House that you believe at your peril. Six months ago, Republicans were accusing it of trying to make political use of the Immigration and Naturalization Service. The charge was that the White House had put the arm on the INS to speed up and cut corners in the naturalization process, the theory being that new citizens would more likely vote Democratic than Republican, and therefore the more of them, the merrier.

The Administration responded that there was no way it would do a thing like that, manipulate the citizenship process for political gain, and folks believed it. We ourselves wrote sympathetically that, while "some congressional Republicans suspect a Democratic plan to load up the voter rolls . . . the administration replies that there are good and innocent reasons for [the] increase."

So now, guess what? It turns out the White House was in fact leaning on the INS to hasten the process, in part in hopes of creating new Democratic voters. There are documents that amply show as much. The attempt was described in a lengthy account in this newspaper by reporter William Branigin the other day. It was centered in the office of Vice President Gore, where they do reinventing government projects. But it wasn't just another reinvention. "The president is sick of this and wants action," Elaine Kamarck, a domestic policy adviser to Mr. Gore wrote in an e-mail last March, the "this" being that the INS wasn't moving people along at the proper speed.

The Republican charge is that, in speeding up the process, the INS made citizens of some applicants with criminal records who should have been barred. The Democratic defense—the current version—is that some of this may indeed have occurred, but not because of political interference. Rather, it was the result of simple bungling. You are told now that you shouldn't take the political meddling in this process—essentially a law enforcement process—seriously not because it didn't happen but because it was ineffectual. Now there's a comfort.

The INS has long been an agency in disrepair. It had and still has a huge naturalization backlog, partly the result of increased applications after the grant of amnesty to certain illegal aliens in the immigration act of 1986, partly now the result as well of last year's welfare bill, which cuts off benefits to immigrants who fail to naturalize. The agency was already trying to cut the backlog, as well it should, and if ever there were a candidate for reinvention, it's the INS. So you had a legitimate project until the folks with the hot hands in the White House decided it should be a political project as well, at which point it was compromised.

Some of the worst ideas ginned up in the White House never got anywhere, in part apparently because of stout INS resistance. Nor is it yet clear how many people with disqualifying records were made citizens, nor how much of that was due to political pressure and how much to just plain everyday incompetence. But in a way it doesn't matter. What matters is that once again the political people couldn't keep their distance from a process that should have been respected and left alone on decency-in-government grounds, and then they were untruthful about it. Who believes them and goes bail for them next time?